

1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE WESTERN DISTRICT OF PENNSYLVANIA
3 - - -
4 CURTIS TVRDOVSKY, on behalf)
5 of himself and all others)
6 similarly situated,)
)
7 Plaintiff,)
) Civil Action
8 vs.) No. 2:13-1463 JFC
)
9 RENEGADE WIRELINE SERVICES)
 (RWLS),)
)
 Defendant.)

13 The 30(b)(6) deposition of RANDY CASSADY, called
14 as a witness by the Plaintiff, pursuant to notice and
15 the Federal Rules of Civil Procedure pertaining to the
16 taking of depositions, taken before me, the
17 undersigned, Rebecca L. Schnur, Notary Public in and
 for the Commonwealth of Pennsylvania, at the offices of
 The Employment Rights Group, 100 First Avenue, First &
 Market Building, Suite 1010, Pittsburgh, Pennsylvania
 15222, commencing at 9:07 o'clock a.m., the day and
 date above set forth.

Johnstown - Erie - Pittsburgh - Greensburg - Harrisburg
866-565-1929

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

2 (Pages 2 to 5)

1 APPEARANCES:
 2 On behalf of the Plaintiff:
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On behalf of the Defendant:

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17 I-N-D-E-X

18 EXAMINATION BY:
 19 Mr. Chivers

PAGE:

4

EXHIBIT INDEX		
Deposition Exhibit		MARKED
Exhibit 1 Objections to 30(b)(6)		50
Exhibit 2 Notice of Deposition		
Exhibit 2 Notice of 30(b)(6)		51
Exhibit 3 Responses to Interrogatories		
and Requests for Production of		
Documents		51
Exhibit 4 Supplemental Responses to		
Interrogatories and Requests		
for Production of Documents		85
Exhibit 5 Invoice Information for		
Shell Energy		145
Exhibit 6 Invoice Information for		
Double Play Oil & Gas		145
Exhibit 7 Driver's Daily Log for L.		
Pospisil		145
Exhibit 8 Truck Equipment List		145
Exhibit 9 Employee Leased Vehicle		145
Allowances		
Exhibit 10 Current Employees		145
Exhibit 11 Former Employees		145
Exhibit 12 Driver's Daily Log for		145
Jalomo		
Exhibit 13 Invoice Information for		145
Chesapeake		
Exhibit 14 Spreadsheet		194
Exhibit 15 Invoice Information for		209
Heritage Standard		
Exhibit 16 Driver's Daily Log for Smith		209
Exhibit 17 Invoice Information for		212
Scientific Drilling		
Exhibit 18 Tvrdovsky Personnel File		217

1 RANDY CASSADY,
 2 called as a witness by the Plaintiff, having been first
 3 duly sworn, as hereinafter certified, was deposed and
 4 testified as follows:

EXAMINATION

BY MR. CHIVERS:

Q. Would you state and spell your name for the record?

A. Randy Cassady, C-a-s-s-a-d-y.

Q. And, Mr. Cassady, for the record, have you ever given a deposition before?

A. Yes.

Q. All right. I'll cover the ground rules quickly, and if you have any questions, you make sure you just ask me.

First, you understand that you're under oath?

A. Yes.

Q. And you understand that, if you were to deceive, if you were to lie, if you were to misrepresent or knowingly deceive during this deposition, that you could be subject to the penalties of perjury?

A. Yes.

Q. Okay. I don't want you guessing today, but to the extent that you have knowledge, if I ask you a

question and you can't say with certainty, a hundred percent certainty, the answer to this, well, then, at least tell me within some reasonable basis or grounds what you do know. All right. So even if it's not a hundred percent certainty, say: Look. I can't say with a hundred percent certainty, but I can tell you, based on my experience, this is what I understand. Okay?

A. All right.

Q. If I ask you a question and you don't understand it in whole or in part, you've got to tell me. All right?

A. Okay.

Q. And I say that because what happens otherwise: I'll ask you a question. You'll give an answer. And then, all we have in the future to go on is what's in the transcript. Okay?

A. All right.

Q. The other thing, too, is make sure that — and you're doing a good job so far — make sure you're verbal in your answers. The nodding and the shaking of the head doesn't get transcribed.

A. Okay.

Q. And lastly — and then we'll start — you're not ill; you're not on prescription medication, nothing

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

3 (Pages 6 to 9)

<p style="text-align: right;">6</p> <p>1 that would impair your ability to hear and understand?</p> <p>2 A. No.</p> <p>3 Q. I'm going to start with the simple stuff,</p> <p>4 which is your background. How is it that you got</p> <p>5 started?</p> <p>6 You're in the business. I guess it's called</p> <p>7 Renegade Wireline?</p> <p>8 A. How is it that I got started with Renegade,</p> <p>9 or how is it that I got started in the business?</p> <p>10 Q. In the business. That's what I'd like to</p> <p>11 know.</p> <p>12 A. My dad was in this business. And when I got</p> <p>13 out of high school, I needed a job, and he suggested</p> <p>14 that I get started in this business.</p> <p>15 Q. And this business, describe to me, what is</p> <p>16 it?</p> <p>17 A. It's a cased hole wireline service business</p> <p>18 in the oil and gas industry.</p> <p>19 Q. What was that first word you used?</p> <p>20 A. Cased hole.</p> <p>21 Q. Spell that.</p> <p>22 A. C-a-s-e-d.</p> <p>23 Q. C-a-s-</p> <p>24 A. -e-d, yeah.</p> <p>25 Q. And what's the next word?</p>	<p style="text-align: right;">8</p> <p>1 A. Actually longer. My dad was in it. He grew</p> <p>2 up in the business.</p> <p>3 Q. Alrighty. In Texas? Oklahoma?</p> <p>4 A. Wherever there's oil wells. Texas, Oklahoma,</p> <p>5 New Mexico, Mississippi, Pennsylvania, all over.</p> <p>6 Q. Now, did your dad actually have a business,</p> <p>7 or did he --</p> <p>8 A. He worked for somebody.</p> <p>9 Q. Thank you. All right.</p> <p>10 Okay. So you've been doing this cased</p> <p>11 hole -- you started out in the oil industry more than</p> <p>12 the gas or --</p> <p>13 A. Same. It's the same difference.</p> <p>14 Q. Same thing?</p> <p>15 A. Yeah.</p> <p>16 Q. Okay. And you've been doing this for 40-some</p> <p>17 years.</p> <p>18 How is it that eventually you got into</p> <p>19 this -- into Renegade Wireline Services, RWLS?</p> <p>20 A. About five years ago, I decided that I no</p> <p>21 longer wanted to work for the people I was working for,</p> <p>22 so I had a couple of choices, go back to work for</p> <p>23 somebody else or try to do something myself, and I</p> <p>24 thought the opportunity -- the timing was right to</p> <p>25 start my own business.</p>
<p style="text-align: right;">7</p> <p>1 A. Wireline. Cased hole wireline.</p> <p>2 Q. Cased hole?</p> <p>3 A. Right.</p> <p>4 Q. Thank you.</p> <p>5 And the cased hole refers to drilling a hole</p> <p>6 in the ground, whether it's for gas or oil, and leaving</p> <p>7 a casing in it?</p> <p>8 A. Correct.</p> <p>9 Q. Is that fair?</p> <p>10 A. Yes.</p> <p>11 Q. Okay. When you got started --</p> <p>12 If you could, give me your age. I don't want</p> <p>13 your date of birth, but what's your age?</p> <p>14 A. When I got started?</p> <p>15 Q. No. Right now.</p> <p>16 A. Today's my birthday, so probably --</p> <p>17 Q. Happy birthday, I guess.</p> <p>18 A. No, it's not.</p> <p>19 I'm 58.</p> <p>20 Q. Thanks.</p> <p>21 (Discussion off the record.)</p> <p>22 Q. All right. So 58, so you've been doing this</p> <p>23 for 40 years. Right?</p> <p>24 A. Yes.</p> <p>25 Q. Okay.</p>	<p style="text-align: right;">9</p> <p>1 Q. Did you start this business, Renegade?</p> <p>2 A. Yes, I am one of the founders.</p> <p>3 Q. Thank you.</p> <p>4 Congratulations, by the way. Starting a</p> <p>5 business is tough.</p> <p>6 A. Uh-huh.</p> <p>7 Q. I know that.</p> <p>8 So give me an approximate date when you</p> <p>9 started Renegade Wireline Services, RWLS?</p> <p>10 A. In October will be five years.</p> <p>11 Q. Okay. All right. So 2009?</p> <p>12 A. Right.</p> <p>13 Q. Correct?</p> <p>14 A. Uh-huh.</p> <p>15 Q. 2009. You're headquartered where?</p> <p>16 A. In Levelland, Texas.</p> <p>17 Q. How do you spell that?</p> <p>18 A. L-e-v-e-l-l-a-n-d, Levelland.</p> <p>19 Q. Levelland?</p> <p>20 A. Yeah.</p> <p>21 Q. Levelland, Texas.</p> <p>22 A. Not a tree in sight, and it's flat.</p> <p>23 Q. Level?</p> <p>24 A. Level, yeah.</p> <p>25 Q. That's how it got its name, I'd imagine.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

4 (Pages 10 to 13)

10	12
<p>1 A. I would imagine.</p> <p>2 Q. What part of Texas is that?</p> <p>3 A. West.</p> <p>4 Q. How far west?</p> <p>5 A. Just 30 miles from New Mexico, about as far</p> <p>6 west as you can go.</p> <p>7 Q. Panhandle?</p> <p>8 A. Panhandle -- right below the panhandle.</p> <p>9 Q. I gotcha.</p> <p>10 A. What's, in the oil and gas business, called</p> <p>11 the Permian Basin.</p> <p>12 Q. Is that right?</p> <p>13 A. Yeah.</p> <p>14 Q. Okay. All right. Does the Permian Basin</p> <p>15 also include New Mexico, part of it?</p> <p>16 A. The Permian Basin does extend into</p> <p>17 New Mexico, yes.</p> <p>18 Q. Now, is that where you got the business</p> <p>19 going?</p> <p>20 A. No.</p> <p>21 Q. Where did you get it going?</p> <p>22 A. In Mansfield, Pennsylvania.</p> <p>23 Q. Yeah. Up near Scranton/Wilkes Barre?</p> <p>24 A. North of Williamsport.</p> <p>25 Q. North of Williamsport?</p>	<p>1 Q. Thank you.</p> <p>2 Is this typically the five- to</p> <p>3 five-and-a-half-inch well?</p> <p>4 A. It can go -- whatever. It can go all the way</p> <p>5 from 2 inch to 20 inch.</p> <p>6 Q. I didn't know it got that big.</p> <p>7 A. Yeah.</p> <p>8 Q. Does it matter whether it's oil or gas? Are</p> <p>9 they bigger, typically, for the gas?</p> <p>10 A. Just about all oil wells produce both gas and</p> <p>11 oil, so there is not much distinction between the two.</p> <p>12 Q. I gotcha. I gotcha.</p> <p>13 Even the Marcellus Shale?</p> <p>14 A. The more profitable section of the Marcellus</p> <p>15 Shale does produce the liquids. There are sections of</p> <p>16 the Marcellus Shale that produces gas. And that --</p> <p>17 with gas prices the way they are right now, you prefer</p> <p>18 to be in the section of the Marcellus that produces the</p> <p>19 liquids also.</p> <p>20 Q. Now, is that, for example, why, like, Shell</p> <p>21 is talking about putting in a cracking plant?</p> <p>22 A. No, nothing to do with it.</p> <p>23 Q. Okay. That's fine.</p> <p>24 All right. So, anyway, your business, you</p> <p>25 have a specialized truck that provides mechanical,</p>
11	13
<p>1 A. Almost New York.</p> <p>2 Q. Yeah. Yeah. Tioga, that area?</p> <p>3 A. Yes.</p> <p>4 Q. Well, Mansfield, because of the Marcellus</p> <p>5 Shale?</p> <p>6 A. Yes.</p> <p>7 Q. Any other reason up in Mansfield?</p> <p>8 A. That's where my customer relations were.</p> <p>9 Q. In other words, your customers?</p> <p>10 A. Right.</p> <p>11 Q. And when you started out, who were your</p> <p>12 primary customers?</p> <p>13 A. East Resources.</p> <p>14 Q. Okay. I may as well ask you right now, since</p> <p>15 you brought it up, the actual services that you perform</p> <p>16 in Wireline Renegade -- or Renegade Wireline, is it</p> <p>17 restricted to wireline, in other words, where you're</p> <p>18 performing those services with explosives in the cased</p> <p>19 holes?</p> <p>20 Describe to me: What do you do in your</p> <p>21 business?</p> <p>22 A. We have a very specialized truck that has a</p> <p>23 winch with an electric cable on it, and we deploy</p> <p>24 various mechanical, electrical, and ballistic devices</p> <p>25 into the well bore to do various services.</p>	<p>1 electrical, and ballistic, you called it -- Right?</p> <p>2 A. Uh-huh.</p> <p>3 Q. Give me an example, a typical kind of job</p> <p>4 that Wireline does. You go out to one of these well</p> <p>5 sites?</p> <p>6 A. Yes. Probably the majority of our work</p> <p>7 involves ballistic services, which we lower a ballistic</p> <p>8 device, in a shaped charge, into the hole and detonate</p> <p>9 it at certain depths to open the casing to the</p> <p>10 formation, to put a hole in it.</p> <p>11 Q. Yeah. Are these almost like little BBs in</p> <p>12 a --</p> <p>13 A. No.</p> <p>14 Q. No? Okay.</p> <p>15 A. They're a shaped perforating charge. They're</p> <p>16 like a bazooka shell.</p> <p>17 Q. Yeah. You run them down the casing, right,</p> <p>18 at a certain depth or certain distance?</p> <p>19 A. Yes.</p> <p>20 Q. Detonate them?</p> <p>21 A. Yes.</p> <p>22 Q. Does that actually blow out the entire</p> <p>23 casing?</p> <p>24 A. No. It puts a hole in it.</p> <p>25 Q. Just a hole. That's my point. So it's got</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

5 (Pages 14 to 17)

14	16
<p>1 to be a directed charge?</p> <p>2 A. It's shaped.</p> <p>3 Q. Shaped?</p> <p>4 A. That's the definition of shaped charge.</p> <p>5 Q. And by being shaped, it obviously, then, is</p> <p>6 designed to just explode out or blow a hole in a</p> <p>7 certain place?</p> <p>8 A. Yes.</p> <p>9 Q. Not the whole damn casing?</p> <p>10 A. We have ballistic devices that will take care</p> <p>11 of the whole casing also. So it's an extremely -- very</p> <p>12 specialized services that we do.</p> <p>13 Q. Yeah.</p> <p>14 A. But we can do numerous things with our</p> <p>15 ballistic devices.</p> <p>16 Q. Yeah. Among the three techniques you just</p> <p>17 described to me, mechanical, electrical, and ballistic,</p> <p>18 approximately what percentage of your work and your</p> <p>19 revenues come from ballistic?</p> <p>20 A. Probably 60 percent.</p> <p>21 Q. Okay.</p> <p>22 A. That's just a guess.</p> <p>23 Q. It's probably -- it's an educated guess. I</p> <p>24 mean, I wouldn't be able to guess anything. You at</p> <p>25 least have knowledge, obviously, in the business.</p>	<p>1 A. There is -- I do not know the exact</p> <p>2 percentages, but there are numerous people involved in</p> <p>3 that other 90 percent.</p> <p>4 Q. Is there any majority owner?</p> <p>5 A. There's five of us that sit on the board that</p> <p>6 are the majority owners, and we all own equal shares</p> <p>7 and majority shares.</p> <p>8 Q. Combined? The five of you combined, it's a</p> <p>9 majority?</p> <p>10 A. We all own equal amounts of shares.</p> <p>11 Q. Right.</p> <p>12 A. And the five of us own the majority of the</p> <p>13 company.</p> <p>14 Q. Fair enough.</p> <p>15 I mean, you just told me then that, at a</p> <p>16 minimum, each of you has 10 percent plus?</p> <p>17 A. Yes. And I don't remember the exact</p> <p>18 percentage.</p> <p>19 Q. That's fine.</p> <p>20 Okay. I looked -- I did -- before you came</p> <p>21 in, I looked at your profile, not that there is a whole</p> <p>22 lot there. I mean, like LinkedIn, you're about --</p> <p>23 you're right next to me. I have nothing. All right.</p> <p>24 A. Yeah.</p> <p>25 Q. You have next to nothing.</p>
15	17
<p>1 The majority of your business -- without</p> <p>2 having to put a figure or percentage on it, the</p> <p>3 majority of your business is from the ballistic</p> <p>4 charges?</p> <p>5 A. You know, that would be a real hard number to</p> <p>6 determine, because a lot of times we're doing both.</p> <p>7 Typically, on an oil well, from start to finish, we'll</p> <p>8 have done all of those types of services at various</p> <p>9 points in time during the life of the well.</p> <p>10 Q. You currently then -- this is what you've</p> <p>11 been doing for going on five years. Right?</p> <p>12 A. Yes.</p> <p>13 Q. You're one of the owners?</p> <p>14 A. Yes.</p> <p>15 Q. Who are the other owners?</p> <p>16 A. Everybody that works for Renegade Services is</p> <p>17 an owner.</p> <p>18 Q. Okay.</p> <p>19 A. So we're all owners.</p> <p>20 Q. And so is that an ESOP, or how do you do</p> <p>21 that?</p> <p>22 A. We've set apart 10 percent of the company for</p> <p>23 all the employees.</p> <p>24 Q. Okay. And then, the other 90 percent is</p> <p>25 divided how?</p>	<p>1 A. Yeah.</p> <p>2 Q. And it said, no activity for, you know, like</p> <p>3 however long.</p> <p>4 A. Everybody wants to be my friend.</p> <p>5 Q. I figured. What the heck?</p> <p>6 My question to you is this: What's your</p> <p>7 current title?</p> <p>8 A. Vice president of operations.</p> <p>9 Q. Thanks.</p> <p>10 Do you report to anybody, or is it all</p> <p>11 shared?</p> <p>12 As the vice president, you're on the board.</p> <p>13 Correct?</p> <p>14 A. Correct.</p> <p>15 Q. There are five of you on the board?</p> <p>16 A. Yes.</p> <p>17 Q. And all of you --</p> <p>18 A. I loosely term it as a board. It's probably</p> <p>19 not structured like most boards are.</p> <p>20 Q. Are you the guy that actually founded this,</p> <p>21 that really got it going? You had the idea. You're</p> <p>22 the one that decided, this is something that can be</p> <p>23 done; I'm tired of working for other people?</p> <p>24 A. Yes.</p> <p>25 Q. That's fair. Okay. Good.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

6 (Pages 18 to 21)

18	20
<p>1 So you don't really report to anybody. It's</p> <p>2 not like you report to the president or the CEO?</p> <p>3 A. No.</p> <p>4 Q. Fair enough. Okay. Thanks.</p> <p>5 Now, as VP of operations, do the people who</p> <p>6 are involved in this business, the wireline business --</p> <p>7 do you call it the wireline business?</p> <p>8 A. Yes.</p> <p>9 Q. Because I've heard it in other companies,</p> <p>10 they've referred to wireline, wireline. And they're</p> <p>11 not talking about Renegade necessarily?</p> <p>12 A. Right.</p> <p>13 Q. Other companies, Superior and people like</p> <p>14 that, will run a so-called wireline business?</p> <p>15 A. Yes.</p> <p>16 Q. Fair enough.</p> <p>17 Do the people who are doing the wireline work</p> <p>18 all report to you?</p> <p>19 A. No.</p> <p>20 Q. Okay. You have people reporting to you?</p> <p>21 A. Yes.</p> <p>22 Q. Okay. Who reports to you, at least by title?</p> <p>23 A. The district manager for Northeast</p> <p>24 Pennsylvania, the district manager for Southwest</p> <p>25 Pennsylvania, the district manager for Refugio, Texas.</p>	<p>1 What I'm interested in is knowing what other</p> <p>2 districts you have. You're in charge of a bunch of</p> <p>3 these different districts?</p> <p>4 A. Four. Four of them.</p> <p>5 Q. You're right. One, two, three, four.</p> <p>6 How many other districts are there?</p> <p>7 A. There's Woodward, Oklahoma.</p> <p>8 Q. Yeah.</p> <p>9 A. There's a shop in Mississippi. I'm not sure</p> <p>10 of the town. Hobbs, New Mexico; Levelland, Texas;</p> <p>11 Andrews, Texas; Midland, Texas; Snyder, Texas. I think</p> <p>12 that that's all of them.</p> <p>13 Q. Levelland, Andrews -- then there was one more</p> <p>14 before Snyder.</p> <p>15 A. Levelland, Andrews, Snyder, Midland.</p> <p>16 Q. Midland.</p> <p>17 A. And Denver City, Texas.</p> <p>18 Q. Okay.</p> <p>19 A. I think we're up to about 13 districts, 12 or</p> <p>20 13.</p> <p>21 Q. Are these districts fairly autonomous in the</p> <p>22 way they are all set up so they can operate and do</p> <p>23 whatever you guys provide in the way of services?</p> <p>24 A. Yes.</p> <p>25 Q. Okay. Are you performing work -- I mean, do</p>
19	21
<p>1 Q. For where?</p> <p>2 A. Refugio, R-e-f-u-g-i-o.</p> <p>3 Q. Okay.</p> <p>4 A. And then, the district manager for Devine,</p> <p>5 Texas.</p> <p>6 Q. And do the people who are doing the wireline</p> <p>7 services, themselves, report to these different</p> <p>8 district managers?</p> <p>9 A. Yes.</p> <p>10 Q. Okay.</p> <p>11 A. For those districts.</p> <p>12 Q. Okay. That's fair.</p> <p>13 A. We have numerous other districts.</p> <p>14 Q. Fair enough. Yeah.</p> <p>15 Tell me -- if you can remember, tell me what</p> <p>16 districts you have. Maybe the easiest way to do it,</p> <p>17 though -- the way you described it just now, are there</p> <p>18 other VPs of operations?</p> <p>19 A. The title VP of operations is pretty -- we</p> <p>20 don't go -- we have a title because that gets you into</p> <p>21 the door with some of our customers that a salesman</p> <p>22 couldn't get into with a salesman title.</p> <p>23 Q. Yeah.</p> <p>24 A. The titles really don't mean anything.</p> <p>25 Q. That's fair.</p>	<p>1 you expect people to do things the same no matter what</p> <p>2 district they're in?</p> <p>3 A. Some of those percentages between different</p> <p>4 services may be different between districts, but,</p> <p>5 basically, we all do those three services.</p> <p>6 Q. Fair enough.</p> <p>7 No matter where you are, in what districts,</p> <p>8 you, I would assume -- with all your years of</p> <p>9 experience, you have learned how you want things done,</p> <p>10 and you expect things to be done that way no matter</p> <p>11 where?</p> <p>12 A. I don't have anything to do with the</p> <p>13 operational part of the other districts, so they have a</p> <p>14 division manager in charge of that.</p> <p>15 Q. Now, do you have -- you've described these</p> <p>16 districts. Does each of these districts have a shop,</p> <p>17 some facility of some kind?</p> <p>18 A. Yes.</p> <p>19 Q. And then, that shop is typically the locale</p> <p>20 for the well sites, where your people are in that area?</p> <p>21 In other words, they use those shops for supplies, for</p> <p>22 resources that they need. Is that fair?</p> <p>23 A. Yes.</p> <p>24 Q. Okay. Why don't we do this? And you can</p> <p>25 tell I've got to ask you a lot of questions because I'm</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

7 (Pages 22 to 25)

22	24
<p>1 not as -- obviously, I don't know the business like you</p> <p>2 do.</p> <p>3 A. Okay.</p> <p>4 Q. Why don't you tell me, at the shops --</p> <p>5 typically, what do you have in one of your shops,</p> <p>6 because, you know, you told me, I think, you have,</p> <p>7 what, 13 shops now?</p> <p>8 A. Twelve, 13, something like that.</p> <p>9 Q. Fair enough.</p> <p>10 A. What do you mean?</p> <p>11 Q. Well, describe it to me. What is it that</p> <p>12 goes on at the shops? You have -- I understand from my</p> <p>13 client -- do you make the charges? Do you shape the</p> <p>14 charges or assemble them?</p> <p>15 A. No. We assemble perforating guns.</p> <p>16 Q. Assemble perforating guns.</p> <p>17 A. Basically, the shops are a staging area.</p> <p>18 Most of the work is done in remote locations.</p> <p>19 Q. Thank you.</p> <p>20 A. The shops are primarily staging areas.</p> <p>21 Q. And when you say "staging areas," describe</p> <p>22 what that means.</p> <p>23 A. Getting prepared to go out and do various</p> <p>24 services.</p> <p>25 Q. Let's talk about your typical job. All</p>	<p>1 services that you perform from your specialized trucks,</p> <p>2 mechanical, electrical, ballistic. Right?</p> <p>3 A. Yes.</p> <p>4 Q. Give me an example -- Be descriptive. Give</p> <p>5 me an example of the mechanical services that you</p> <p>6 perform.</p> <p>7 A. Very basic service, to lower the cable into</p> <p>8 the hole, measure the cable, and tell how deep the hole</p> <p>9 is.</p> <p>10 Q. You do more than that. What other mechanical</p> <p>11 things do you do?</p> <p>12 A. We run gauges in the hole to tell what size</p> <p>13 the hole is. We run --</p> <p>14 Q. Now, when you say -- let me interrupt there</p> <p>15 because -- run gauges in the hole to see how big the</p> <p>16 hole is, do you mean the hole where the oil is or the</p> <p>17 gas is?</p> <p>18 A. The hole, yes.</p> <p>19 Q. That's what you're referring to?</p> <p>20 A. Yes.</p> <p>21 Q. You're not referring to the casing?</p> <p>22 A. The cased hole, yes. You got a hole in the</p> <p>23 ground.</p> <p>24 Q. Right.</p> <p>25 A. That's where we do our work, is in that hole</p>
23	25
<p>1 right?</p> <p>2 A. All right.</p> <p>3 Q. Do you have your guys -- your guys, the</p> <p>4 people who are doing this wireline service, do they</p> <p>5 report to the shop before they go to the sites</p> <p>6 typically?</p> <p>7 A. Not necessarily.</p> <p>8 Q. Not necessarily.</p> <p>9 Let's just say that the job hasn't started at</p> <p>10 the well site yet. All right? We'll take an example</p> <p>11 like that.</p> <p>12 Do the wireline employees report to the shop?</p> <p>13 A. Jobs are very complex, and they're very</p> <p>14 different, so the type -- we all kind of do the same</p> <p>15 three basic types of services. But if you actually got</p> <p>16 in and drilled down into each of those services, there</p> <p>17 are a tremendous amount of services that fall under</p> <p>18 those three categories. And it involves different</p> <p>19 types -- it's very -- one of the pleasing things about</p> <p>20 this occupation is, you typically are not doing the</p> <p>21 same -- exact same thing every single day. One day</p> <p>22 you're doing one thing, and the next day you're doing</p> <p>23 something else.</p> <p>24 Q. Let's do this. I'm going to need this for my</p> <p>25 understanding. You defined three basic types of</p>	<p>1 in the ground. And, yes, that's where -- they</p> <p>2 hopefully get oil or gas out of it. Sometimes they put</p> <p>3 stuff into it also. So there is various things you can</p> <p>4 do with an oil and gas well.</p> <p>5 Q. Here's what I meant by that: You run gauges</p> <p>6 in the hole to see how deep the hole is, right, or how</p> <p>7 big the hole is?</p> <p>8 A. Yes.</p> <p>9 Q. When you say "how big the hole is," are you</p> <p>10 referring to the hole where the oil is, and the gas, or</p> <p>11 are you referring to the casing itself?</p> <p>12 A. The casing.</p> <p>13 Q. Okay. I'm a little confused by that because</p> <p>14 I'm not as familiar as you are.</p> <p>15 Don't you know how far you've drilled this</p> <p>16 hole and how much casing you've laid?</p> <p>17 A. You do at the beginning.</p> <p>18 Q. Right.</p> <p>19 A. But 30 or 40 or 50 years from now, you don't</p> <p>20 know what the condition of that hole is in. These</p> <p>21 wells are -- the wells that they're drilling in the</p> <p>22 Marcellus right now will be active for 30 to 40 to 50</p> <p>23 years from now.</p> <p>24 Q. Thanks. See, I didn't know that.</p> <p>25 A. Yeah.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

8 (Pages 26 to 29)

26

28

Q. I know they have some life to them.

So what you're saying is, you'll also be called in, and you run gauges in holes that have been there for 20, 30 years?

A. And sometimes brand-new ones, that you're in there fracking with tremendous amounts of pressure and sand, and you don't know what's going on down in the well, and we have tools and devices that will let us know.

Q. And I assume that's important for the owners then to be able to estimate -- well, first, to determine if the oil or the gas is going to flow freely? What's the primary purpose of figuring out -- running those gauges in the hole?

A. We have other tools and devices that we may want to lower in to do various work. We set plugs, isolating certain parts of the well off. We might want to run in and dump some cement. We may want to run in and cut the casing and it's a dry well. They want to try to recover some of the casing.

So most of the time we need to know what the hole -- what condition the hole is before we run other devices in the hole.

Q. Thanks. That's very helpful to me. Okay. That's good.

27

So those are some of the mechanical services. Right?

A. You know, we could probably go on for days on the amount of stuff that we can do on the end of that cable.

Q. Yeah. Yeah.

Is the cable that you're talking about -- is there a standard size? Do you have different sized cables, diameter?

A. There are several sizes, all the way from .092 cable to 7/16.

Q. You told me a lot, though, about your business, because those are relatively small cables?

A. Yes.

Q. I mean, because, if you're doing something, for example, like coil tubing, you got a two-and-a-half, two-and-three-quarter-inch cable?

A. Yeah.

Q. Right?

A. Right.

Q. And so you guys -- I begin to understand. If that's the size of your cable then, you really are going down and, for example, monitoring or measuring things or clearing things? Do you also clear things out of the lines?

A. Yeah, we can.

Q. Okay. You mentioned plugs. Do you guys actually put plugs in the cased holes sometimes?

A. Yes.

Q. All right. But you're not doing the fracking; are you?

A. No. We don't -- we don't have the pumps.

Q. Yeah. Okay. All right. So that's some of the mechanical stuff.

What's some of the electrical services you provide?

A. We run a tool in that can identify where the couplers are, which we use for depth control in the well.

Q. What are the couplers?

A. Where they're screwed together.

Q. Thank you.

Okay. Where the casing is screwed together?

A. Right.

Q. Thanks. Okay.

A. We run caliper tools in the hole, where we can tell exactly how big the hole is, and get a 3-D image of what the hole looks like. We run -- we have one tool that's a pulsed neutron tool. It pulses a neutron cloud. And we watch -- the neutrons collide

29

with the formation --

Q. Yeah.

A. -- and give off gamma rays at different levels and energy levels. And we watch what comes back, and, from that, by how much comes back, by what energy levels come back, we can get a pretty good idea of what it's made -- what the formation is made out of.

Q. Because each of these substances, whether it's just shale or whether it's some other rock or whether there is gas embedded in that rock, will give a different signature when you --

A. Yes.

Q. -- the readings?

A. Right.

Q. Okay.

A. It's pretty complex. I mean, it's --

Q. Yeah. Yeah.

Do you do 3-D seismic at all?

A. No.

Q. That's somebody else that's really going in beforehand, typically, I would think?

A. Yes.

We run sonic tools in the hole to determine the quality of the cement bond between the casing and the formation.

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

9 (Pages 30 to 33)

30	<p>1 Q. When -- I don't know if you call it "laying 2 the casing." What do you call it where the guys are 3 drilling the darn hole and leaving the casing? 4 A. Drilling. You're drilling. You drill an 5 open hole. And there are a lot of wireline services 6 that are done in the open hole, before you put the 7 casing in the hole. 8 Q. The casing in? 9 A. That's the open hole company. 10 Q. I'll be darned. 11 A. And we traditionally do our services after 12 the casing has been in the hole. 13 Q. After somebody's already placed the casing? 14 A. You drill the hole. You do various services. 15 Q. Yep. 16 A. There's things that you can find out about 17 the formations during the drilling process that you 18 can't find out after the casing has been placed in the 19 hole. 20 Q. Very good. 21 A. So then, they put the casing in the hole, and 22 that's, typically, when we'll start our various 23 services. It can take about a month to a year to drill 24 some wells. And after that time, we do services for 25 the next 30 years on that -- or for the rest of the</p>	32	<p>1 Q. That's an individual well, let alone how many 2 are on a well site? 3 A. Yes. Individual well. 4 Q. Interesting. 5 And then, you guys are really -- you're there 6 throughout the life of this well to provide the 7 services? 8 A. Yes. 9 Q. Okay. All right. Now, you gave me some 10 examples of the electrical services you provide and 11 mechanical and the ballistic. 12 Give me -- describe to me a little bit more 13 about the ballistic services that you provide. 14 A. Various shaped charges in the hole to either 15 put a hole in it or to cut it in two or maybe clear 16 debris downward. During the drilling process, we can 17 lower ballistic devices -- they get stuck in the bottom 18 of the well, and they're free at some point. They want 19 to recover all the pipe that they can get out of the 20 hole. And we'll lower a small piece of primer cord in, 21 a string. We call it a string shot. And we'll 22 position it across one of the couplers. And we can 23 manipulate the pipe where, when we shoot that off, it 24 will unscrew at that particular coupling, and then they 25 can bring --</p>
31	<p>1 life of the well. 2 Q. In other words, periodically, you're asked to 3 come in and do diagnosis? 4 A. All kinds of stuff. 5 Q. Diagnosis, repair -- 6 A. All kinds. 7 Q. -- assessment. Right? 8 A. Yep. 9 Q. I mean, obviously, you want to make sure 10 you're getting maximum flow from this well? 11 A. Not all wells flow. Sometimes you're 12 injecting stuff, so it's -- 13 Q. Injecting stuff in order for another well to 14 produce? 15 A. Exactly. 16 Q. I gotcha. 17 Kind of forcing it from this end? 18 A. Yeah. 19 Q. It's almost like driving birds? 20 A. That's called secondary recovery. 21 Q. There you go. I'll be darned. Okay. 22 So the drilling, itself, might take anywhere 23 from what, a month to a year? 24 A. From a week -- from three days to a year. It 25 just depends on the well.</p>	33	<p>1 Q. Then you can haul it out, at least from that 2 point up? 3 A. Right. 4 And we have tools that will tell where it's 5 stuck in the hole, electrical tools, that we can figure 6 out where they're stuck in so we can bring out all the 7 pipe that's free. And then, they'll go in, and they'll 8 wash over the part that's stuck, so, hopefully, you 9 bring out -- you get back to the bottom of the well. 10 Q. The pipe is made typically of what, cast 11 iron, or does it vary? 12 A. Steel. 13 Q. It is steel? 14 A. Yeah. 15 Q. Normally? 16 A. I think pretty traditionally. I would be -- 17 there is some fiberglass-type tubing and casing, but 18 that's very -- that's extraordinary. 19 Q. What you want is something that doesn't 20 corrode? 21 A. It all corrodes. 22 Q. It all corrodes? 23 A. That's one of the things that -- one of the 24 electrical devices, we can tell inside corrosion, 25 outside corrosion.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

10 (Pages 34 to 37)

34

1 **Q.** Yep. That's very helpful to me.
 2 **Question:** Where's the concrete poured? Is
 3 it on the outside of the casing?
 4 **A.** You pump it.
 5 **Q.** Right.
 6 **A.** So you pump it down the inside of the casing.
 7 **Q.** Right.
 8 **A.** You put up -- after you get -- you pump a
 9 certain amount of cement.
 10 **Q.** Right.
 11 **A.** And you put a plug on top of it, and then you
 12 continue to pump that plug down all the way to the
 13 bottom of the well, where it seats. Then the cement
 14 will go out of the bottom of the casing --
 15 **Q.** It oozes up?
 16 **A.** -- and come back up to the top of the
 17 surface.
 18 **Q.** I gotcha, because, needless to say, the hole
 19 is a little bit larger in diameter, right, bigger than
 20 the casing?
 21 **A.** Yes.
 22 **Q.** Wow! Okay.
 23 So you just -- all the way down to the bottom
 24 and it just oozes up. Right?
 25 **A.** Yes.

35

1 **Q.** What do you do, wait until you can see it?
 2 **A.** You do -- hopefully, you've calculated the
 3 right amount of cement that you put in there, and you
 4 see returns to the surface. If you do not see returns
 5 to the surface, you are required to go in there and
 6 figure out --
 7 **Q.** -- where the heck it went?
 8 **A.** -- where the top of that cement is. And we
 9 do that. That's one of the services that we can do.
 10 **Q.** That's very good. All right. Thanks.
 11 **A.** We can run -- the cement gets hot when it
 12 cures, and you can run a temperature tool in, a
 13 thermometer, and tell where it's getting hot at. That
 14 will give us an indication of where the top of the
 15 cement is. Or we can use one of our acoustic tools.
 16 **Q.** Do you ever have problems where you're called
 17 in to actually do something with the cement that's
 18 around the outside of the casing?
 19 **A.** Yes. We find the top of that cement. Then
 20 we'll lower a shaped charge in, put a hole above where
 21 the top of that is. Pump more cement in --
 22 **Q.** Gotcha.
 23 **A.** -- before it gets to the surface.
 24 **Q.** Yep. Yep.
 25 And then, just keep moving it up to the

36

1 surface?
 2 **A.** Yep.
 3 **Q.** I'm curious about this. Is the cement around
 4 the perimeter of the casing -- is that required because
 5 that's what's necessary to keep the casing secure, or
 6 is it for environmental reasons?
 7 **A.** Environmental.
 8 **Q.** Thank you.
 9 What they're really trying to say is: Okay.
 10 We're not just going to rely upon this steel pipe, the
 11 casing. We also want it enclosed with concrete?
 12 **A.** Yes. And they don't even rely on one of
 13 those. It's several strings of casing at various
 14 depths, that they're -- When you're trying to isolate
 15 the oil or gas from a water zone, which is what you're
 16 talking about --
 17 **Q.** Yes.
 18 **A.** -- there are numerous barriers. It's not
 19 just one string. And, plus, most of the time, on most
 20 oil wells, you actually go into the casing and set
 21 another string of two-inch pipe or two-and-a-half-inch
 22 pipe inside of the well bore to isolate it even
 23 further.
 24 **Q.** Multiple barriers?
 25 **A.** Multiple, you know.

37

1 **Q.** So at the end of the day, you might have, out
 2 of five-and-a-half-inch casing -- diameter casing, the
 3 oil and or gas may only be flowing through, what, an
 4 inch or two?
 5 **A.** Two inch.
 6 **Q.** Two inch. Thank you. All right.
 7 And then, on the outside of that, it's
 8 encased in concrete?
 9 **A.** On the outside of the two inch, it's encased
 10 with the casing, the five-and-a-half casing.
 11 **Q.** Right.
 12 **A.** You monitor that -- the pressure on that
 13 casing. We call it the annulus, the space between the
 14 tubing and the casing. We monitor the pressure so
 15 that, while you're producing the gas through the
 16 tubing, if you get a tubing leak, you'll start building
 17 into the casing.
 18 **Q.** Sure.
 19 **A.** And we can identify that before it becomes an
 20 environmental issue.
 21 **Q.** Yeah.
 22 **A.** We'll go in and repair -- we have various
 23 tools that we can lower in and repair.
 24 **Q.** The two-inch, if you will --
 25 **A.** Yeah.

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

11 (Pages 38 to 41)

38	<p>1 Q. -- casing?</p> <p>2 A. Yeah.</p> <p>3 Q. The two-inch line.</p> <p>4 What do you call it, the line?</p> <p>5 A. Tubing.</p> <p>6 Q. Thank you. All right. Two-inch tubing.</p> <p>7 And yet, at the same time, what you're</p> <p>8 saying, ultimately, you still have this outer barrier</p> <p>9 around the perimeter, the five-and-a-half --</p> <p>10 A. Several outer barriers. That's where you get</p> <p>11 into the 20-inch pipe. You go from five and a half to</p> <p>12 seven inch to ten and three-quarters. A 20-inch pipe,</p> <p>13 probably not any more than couple of hundred feet deep.</p> <p>14 But you just keep putting these barriers. Where that</p> <p>15 water sand is, where our first water comes from, there</p> <p>16 are probably four to five strings of pipe with cement</p> <p>17 in between every string and then cement between the</p> <p>18 last string and the formation.</p> <p>19 Q. You used the term "string."</p> <p>20 A. String of casing.</p> <p>21 Q. S-t-r-i-n-g?</p> <p>22 A. String of pipe.</p> <p>23 Q. That's good.</p> <p>24 And string literally meaning being it's</p> <p>25 coiled? I mean, it's on a spool?</p>	40	<p>1 majority of the work they just go right to the site?</p> <p>2 If you can give me a -- is there any way to approximate</p> <p>3 that?</p> <p>4 A. Not without some research.</p> <p>5 Q. Fair enough.</p> <p>6 A. There are -- in West Texas, they -- we</p> <p>7 primarily concentrate on the frack side of the business</p> <p>8 up here.</p> <p>9 Q. Yeah.</p> <p>10 A. In the Permian Basin, their services are very</p> <p>11 varied from what we're doing. They have frack services</p> <p>12 also, but, typically, they'll do -- they'll come into</p> <p>13 the shop sometimes in the morning, load out for maybe</p> <p>14 one, two, three jobs during the day, and they may be</p> <p>15 traveling from state to state or county to county,</p> <p>16 doing jobs, and they may not return with their truck</p> <p>17 during the day. They might go back out and meet the</p> <p>18 truck the next day or leave it on location.</p> <p>19 Q. Describe this truck to me. What do you call</p> <p>20 your truck?</p> <p>21 A. Wireline truck.</p> <p>22 Q. Thank you. All right.</p> <p>23 And the wireline truck, give me an idea --</p> <p>24 gross vehicle weight, if you know it?</p> <p>25 A. I don't. I think it's 38,000 pounds.</p>
39	<p>1 A. No, it's not -- you're talking about coiled</p> <p>2 tubing.</p> <p>3 Q. I am.</p> <p>4 A. And that's a string of pipe.</p> <p>5 But any tubulars that you put in the hole, we</p> <p>6 call them --</p> <p>7 Q. That's fair.</p> <p>8 A. -- strings, strings of pipe.</p> <p>9 Q. You call them strings. Very good. Thanks.</p> <p>10 I got a little better sense -- much better sense,</p> <p>11 actually, of the work that's done.</p> <p>12 Let's come back, and you tell me about these</p> <p>13 shops because -- let's just take an example, and you</p> <p>14 can tell me: What percentage of your jobs for</p> <p>15 Wireline -- do you call yourself Wireline or Renegade?</p> <p>16 I just want to use the right -- do you call yourself</p> <p>17 Renegade?</p> <p>18 A. We do business as Renegade Services.</p> <p>19 Q. Okay. Fine. If I keep saying Renegade</p> <p>20 Services, that's how you guys refer to yourself?</p> <p>21 A. Renegade, yes.</p> <p>22 Q. Renegade. Good.</p> <p>23 A typical job that Renegade is performing at</p> <p>24 one of the well sites, would you say, for the majority</p> <p>25 of these jobs, people report to the shop first or the</p>	41	<p>1 Q. All right.</p> <p>2 A. A single-axle truck -- we get right on the</p> <p>3 verge of being overweight on a single-axle truck, so a</p> <p>4 lot of times we've got to go to the tandem axle, which</p> <p>5 I think is 48,000. I don't know the exact weights.</p> <p>6 Q. So some of your wireline -- how many wireline</p> <p>7 trucks do you have?</p> <p>8 A. We're getting close to a hundred.</p> <p>9 Q. How many employees do you have?</p> <p>10 A. I know we're over 400.</p> <p>11 Q. And you've got a hundred trucks?</p> <p>12 A. Yes.</p> <p>13 Q. Wow! That's a high ratio.</p> <p>14 A. Of what, people to trucks?</p> <p>15 Q. Yeah.</p> <p>16 A. Typical crew is a three-man crew, so --</p> <p>17 Q. Thank you.</p> <p>18 A. -- 300 supports -- are directly involved with</p> <p>19 the trucks and probably a hundred supporting it.</p> <p>20 Q. There we go. Yeah. That's a good way of</p> <p>21 looking at it.</p> <p>22 I'm just telling you from -- I don't pretend</p> <p>23 to know the way you guys do. But that's a high ratio</p> <p>24 of vehicles to people. Okay?</p> <p>25 A. Well, that's just one -- you usually have a</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

12 (Pages 42 to 45)

42

1 pickup that goes with the truck also and crane trucks
 2 also, so --
 3 **Q. There you go. Yeah. I've gotten -- by the**
 4 **way, we'll get into this a little bit later.**
 5 **Your attorney has provided us with an**
 6 **inventory of vehicles.**
 7 **A. Okay.**
 8 **Q. Okay. So do you call it a spread of**
 9 **vehicles, or not?**
 10 **A. No.**
 11 **Q. You don't call it that?**
 12 **A. No.**
 13 **Q. No?**
 14 **A. You're thinking of a frack spread.**
 15 **Q. Yeah. Yeah. I know.**
 16 **What do you guys call this collection --**
 17 **or you don't?**
 18 **A. Huh-uh.**
 19 **Q. Okay. Let's take -- when you send a crew, a**
 20 **three-man crew -- right?**
 21 **A. Typically.**
 22 **Q. I understand.**
 23 **A. You know, it can vary.**
 24 **Q. That's fair.**
 25 **For now, would you say that's your typical**

43

1 **wireline service crew?**
 2 **A. I would think so, yes.**
 3 **Q. Okay. Your typical three-man crew, tell me**
 4 **who they -- not who they are by name. I don't want to**
 5 **know the names. By titles?**
 6 **A. Engineer and two riggers.**
 7 **Q. Engineer, rigger 1, rigger 2. Okay.**
 8 **A. Any form of rigger and any form of engineer.**
 9 **We have different levels of engineer and different**
 10 **levels of riggers, but, basically, it's one engineer**
 11 **and two hands.**
 12 **Q. There you go. Okay. One engineer, two**
 13 **hands. Okay.**
 14 **A. Those terms can get kind of -- kind of shady,**
 15 **too, because, in different parts of the company, we**
 16 **call -- I call them a rigger. Sometimes they're called**
 17 **operators. And I think that we've actually got them**
 18 **classified as operators, operator 1 and 2. I don't**
 19 **think they're classified as rigger. But you go down to**
 20 **other parts of the company, and they'll call the**
 21 **engineer, the guy running the truck, an operator, and**
 22 **two riggers. So that has been a real foggy point in**
 23 **our industry for 40 years, on what they're called.**
 24 **Q. I didn't ask you before. Let me just ask you**
 25 **this. As the VP of operations -- and you gave me the**

44

1 **districts that you have or the shops. Do you call them**
 2 **districts?**
 3 **A. Yes.**
 4 **Q. Fair enough.**
 5 **And you've got a mix of Pennsylvania and**
 6 **Texas. Right?**
 7 **A. Yes.**
 8 **Q. Two and two.**
 9 **Do you live down in the Texas area?**
 10 **A. I do now, yes.**
 11 **Q. That's what I thought. I know you had**
 12 **to make -- do you come up here, though, on a fairly**
 13 **regular basis?**
 14 **A. Less than 49 percent of the time.**
 15 **Q. Less than 49 percent of the time.**
 16 **A. I don't want to pay Pennsylvania taxes.**
 17 **Q. I understand. I understand. I knew that's**
 18 **what you meant.**
 19 **(Discussion off the record.)**
 20 **Q. All right. Good.**
 21 **Anyway, at least your residence is in Texas.**
 22 **Right?**
 23 **A. Yes.**
 24 **Q. That's fair.**
 25 **Coming back to your typical three-man crew,**

45

1 **as I understand what you said -- may I call you Randy?**
 2 **A. Sure.**
 3 **Q. That's all right?**
 4 **A. Yes.**
 5 **Q. And you can call me Joe, if you're**
 6 **comfortable with that, if you have something you need**
 7 **to say to me.**
 8 **Randy, your three-man crew -- I'm not holding**
 9 **you to that as the only size crew. All right?**
 10 **A. Okay.**
 11 **Q. That's your typical crew.**
 12 **You have an engineer and two hands, whether**
 13 **they call them riggers -- and I think -- correct me if**
 14 **I'm wrong -- what you're saying is, regardless of the**
 15 **title that you put on this three-man crew and the**
 16 **people in the three-man crew, this crew needs to be**
 17 **able to perform certain functions when they get out to**
 18 **the sites?**
 19 **A. Right.**
 20 **Q. All right. Who decides who's going to be on**
 21 **a particular crew that goes out to a site?**
 22 **A. District manager.**
 23 **Q. All right.**
 24 **A. It could be a district manager. It could be**
 25 **an assistant manager. It could be -- it's whoever's in**

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

13 (Pages 46 to 49)

46	<p>1 charge of dispatching the shop at that point in time.</p> <p>2 Q. That's fair.</p> <p>3 So the dispatching and the assignments to</p> <p>4 crews and that sort of thing is done out of the shops?</p> <p>5 A. Yes.</p> <p>6 Q. All right.</p> <p>7 A. It's a very -- that's a very complex part of</p> <p>8 our job, believe it or not.</p> <p>9 Q. No. Actually, I do believe it, particularly</p> <p>10 as you've told us about the nature of the business. It</p> <p>11 seems -- correct me if I'm wrong -- you have to have</p> <p>12 somebody there in charge, at the shop, who has enough</p> <p>13 knowledge of the business and enough knowledge of the</p> <p>14 customers to know what is needed for a particular job?</p> <p>15 A. And enough knowledge of the equipment and of</p> <p>16 the people that you've got working, because not all of</p> <p>17 those guys do all the kind of services that we do.</p> <p>18 It's a very complex part.</p> <p>19 Q. Fair enough.</p> <p>20 You talked about the vehicles that go out</p> <p>21 with this three-man crew. You've got a wireline truck.</p> <p>22 Right?</p> <p>23 A. Yes.</p> <p>24 Q. You've got a pickup truck?</p> <p>25 A. Yes.</p>	48
47	<p>1 Q. Do you know what kind of pickup truck you</p> <p>2 typically have? Is there a typical truck?</p> <p>3 A. Three-quarter-ton long-bed double cab pickup</p> <p>4 is a typical pickup.</p> <p>5 Q. Like an F-250?</p> <p>6 A. Yes.</p> <p>7 Q. By the way, that seems to be vehicle of</p> <p>8 choice in the industry --</p> <p>9 A. Right.</p> <p>10 Q. -- because it seems to be all purpose. You</p> <p>11 can do a lot with it. Right?</p> <p>12 A. Right.</p> <p>13 Q. Do you know the gross vehicle weight of</p> <p>14 something like that, an F-250?</p> <p>15 A. I do not.</p> <p>16 Q. So it is what it is?</p> <p>17 A. Yeah. You know, with my managers and the</p> <p>18 people that have to dispatch this -- because we have to</p> <p>19 carry trailers and explosives. Basically, any time you</p> <p>20 put a piece of explosive in even a --</p> <p>21 Q. -- a pickup?</p> <p>22 A. -- in even a car, it's got to be a DOT'd</p> <p>23 vehicle at that point.</p> <p>24 Q. It's a hazmat?</p> <p>25 A. It becomes hazmat. And we haul explosives</p>	49
	<p>1 all the time, so all of our -- no matter gross vehicle</p> <p>2 weight or any of that, they've got to be DOT'd.</p> <p>3 Q. Very good.</p> <p>4 These F-250s -- and by the way, let's just</p> <p>5 say -- I'll just use F-250 as an example. You've got a</p> <p>6 wireline truck, an F-250, and what other vehicles that</p> <p>7 would go out with the three-man crew?</p> <p>8 A. Sometimes a crane.</p> <p>9 Q. Sometimes a crane?</p> <p>10 A. Right.</p> <p>11 Q. So, normally, you have at least the wireline</p> <p>12 truck and the pickup?</p> <p>13 A. That would be the minimum, yes.</p> <p>14 Q. And then, sometimes you might need a crane?</p> <p>15 A. Yeah.</p> <p>16 Q. The crane is for actually positioning the</p> <p>17 lines that you're going to be -- what's the crane for?</p> <p>18 A. To do our operation, we have to -- our line</p> <p>19 runs off the back of our truck to a shiv. The shiv</p> <p>20 directs the cable up, and we put a shiv at the top of</p> <p>21 the crane to lower it back into the hole.</p> <p>22 The tool strings that we put into the hole,</p> <p>23 the various ballistic and mechanical, they can get</p> <p>24 fairly long at some times, so we have to be able to get</p> <p>25 that top shiv high up in the air to do any of our work.</p>	
	<p>1 Sometimes you have a rig on location.</p> <p>2 Q. I gotcha.</p> <p>3 A. We do not need the cranes at that point.</p> <p>4 Q. Sometimes you don't?</p> <p>5 A. I would say probably -- probably -- they like</p> <p>6 to run cranes. The oil companies like to have the rig</p> <p>7 gone. The rig costs a lot of money. The cranes cost</p> <p>8 very little. So they try to keep our phase of the work</p> <p>9 working off cranes instead of off rigs. So I don't</p> <p>10 know. It's probably a 50/50 mix.</p> <p>11 Q. 50 percent of the time you need to take the</p> <p>12 crane with you from the shop to the jobs?</p> <p>13 A. Yeah. It may even be higher than that.</p> <p>14 Q. Understood.</p> <p>15 A. We have some trucks that have their own</p> <p>16 cranes built into the truck; you don't have to have a</p> <p>17 separate unit out there, but we've got a way of getting</p> <p>18 our line up in the air.</p> <p>19 Q. Needless to say, if you have a three-man</p> <p>20 crew, you can't take more than three vehicles?</p> <p>21 A. Correct.</p> <p>22 MR. CHIVERS: I figured that one out.</p> <p>23 All right. I'm going to mark a couple</p> <p>24 documents. Okay?</p> <p>25 MR. ANTKOWIAK: Do you want to mark our</p>	

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

14 (Pages 50 to 53)

50	<p>1 objections as the first exhibit just to get that</p> <p>2 out of the way?</p> <p>3 MR. CHIVERS: Sure. It doesn't matter.</p> <p>4 MR. ANTKOWIAK: I'll just set this out for</p> <p>5 purposes of the record. This is a 30(b)(6)</p> <p>6 noticed deposition by the plaintiffs, and in</p> <p>7 response to that, the defendant has issued its</p> <p>8 objections to the notice that is in advance of the</p> <p>9 deposition this morning. We have discussed it.</p> <p>10 We'll place this on the record as Exhibit 1. And</p> <p>11 we will, as defendants, reserve the right to mark</p> <p>12 and object to specific questions and answers under</p> <p>13 the deposition testimony later on, subject to our</p> <p>14 stated objections. That way at least it avoids us</p> <p>15 having to interject throughout and disrupt the</p> <p>16 flow of the deposition.</p> <p>17 MR. CHIVERS: That's fine.</p> <p>18 MR. ANTKOWIAK: We can mark this as Exhibit A</p> <p>19 or 1, whichever you prefer.</p> <p>20 MR. CHIVERS: 1.</p> <p>21 MR. ANTKOWIAK: Okay.</p> <p>22 MR. CHIVERS: For the record, this will be 1.</p> <p>23 (Whereupon, Deposition Exhibit 1 was marked</p> <p>24 for identification.)</p> <p>25 MR. CHIVERS: Then, for the record, this will</p>	52	<p>1 Q. In fact, did you participate in the</p> <p>2 preparation of Exhibit 3?</p> <p>3 A. Yes.</p> <p>4 Q. And, sir, have you -- and can you, today,</p> <p>5 verify the accuracy of the information that's in</p> <p>6 Exhibit 3?</p> <p>7 A. Yes.</p> <p>8 Q. All right. I'll go through. Obviously,</p> <p>9 we're going to continue in our questioning, and I'll go</p> <p>10 back and forth on some of these documents.</p> <p>11 By the way, I just want to confirm, when you</p> <p>12 were talking about a shiv, are you referring,</p> <p>13 basically, to a pulley?</p> <p>14 A. Yes.</p> <p>15 Q. Yeah. What you do, this line or string that</p> <p>16 comes out of the back of your wireline truck has to be</p> <p>17 guided; it has to go out in such a way that you can get</p> <p>18 it to a point vertical, directly over the hole?</p> <p>19 A. Yes.</p> <p>20 Q. All right. And that's what these two shivs,</p> <p>21 or pulleys, do?</p> <p>22 A. Yes.</p> <p>23 Q. You feed it through -- along the one pulley</p> <p>24 and then it goes straight up to the second pulley?</p> <p>25 A. Yes.</p>
51	<p>1 be 2. This is the notice itself.</p> <p>2 (Whereupon, Deposition Exhibit 2 was marked</p> <p>3 for identification.)</p> <p>4 MR. ANTKOWIAK: All right.</p> <p>5 MR. CHIVERS: For the record, this will be 3.</p> <p>6 (Whereupon, Deposition Exhibit 3 was marked</p> <p>7 for identification.)</p> <p>8 (Recess taken.)</p> <p>9 MR. CHIVERS: Back on the record.</p> <p>10 BY MR. CHIVERS:</p> <p>11 Q. Sir, I've had a chance to put a few documents</p> <p>12 in front of you. And I think we've got agreement --</p> <p>13 Here you go. You can have this one.</p> <p>14 Exhibit 1, we have agreed -- your lawyer and</p> <p>15 I have agreed that Exhibit 1 is the written objections</p> <p>16 that defendant has made to the 30(b)(6) notice.</p> <p>17 Exhibit 2 is the 30(b)(6) notice itself.</p> <p>18 Did you have a chance to review Exhibit 2</p> <p>19 before you came here today?</p> <p>20 A. Yes.</p> <p>21 Q. I figured. Yeah.</p> <p>22 Exhibit 3 is defendant's responses to the</p> <p>23 interrogatories and requests for documents.</p> <p>24 Sir, do you recognize Exhibit 3?</p> <p>25 A. Yes.</p>	53	<p>1 Q. And it's then positioned. That second</p> <p>2 pulley, I would assume, is positioned directly over the</p> <p>3 hole?</p> <p>4 A. Yes.</p> <p>5 Q. Fair enough.</p> <p>6 I want to talk a little bit more about the</p> <p>7 crews. You described a typical crew of three men.</p> <p>8 There are some women, I imagine, too. We'll call them</p> <p>9 three-man. All right.</p> <p>10 An engineer. Correct?</p> <p>11 A. Yes.</p> <p>12 Q. And then two -- whether you call them riggers</p> <p>13 or hands?</p> <p>14 A. Correct.</p> <p>15 Q. Fair statement?</p> <p>16 A. Uh-huh.</p> <p>17 Q. And the engineer -- describe to me, when you</p> <p>18 say an engineer, is this somebody with an engineering</p> <p>19 degree; is this somebody with a professional</p> <p>20 engineering certificate; or is this more just</p> <p>21 functional?</p> <p>22 A. It's just a title.</p> <p>23 Q. All right.</p> <p>24 A. There are -- it's been in contention. Real</p> <p>25 engineers don't want us calling them engineers, so</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

15 (Pages 54 to 57)

54	56
<p>1 that's why sometimes they're referred to as operators. 2 That's where the title gets fuzzy. 3 Q. The point is that, to be a so-called engineer 4 or operator, you don't have need to have a college 5 degree? 6 A. No. 7 Q. You don't need to be a professional engineer? 8 A. No. 9 Q. All right. I would assume that the kinds of 10 engineers or operators that you have are people 11 primarily with experience in the field -- 12 A. Yes. 13 Q. -- who functionally know what to do, have 14 experience doing these services, and that can be relied 15 upon? 16 A. Yes. 17 Q. Are they functionally in charge of the crew? 18 A. Yes. 19 Q. And do the engineers -- do they have the 20 authority to give order -- 21 A. Yes. 22 Q. -- to riggers? 23 A. Yes. 24 Q. Can they hire the riggers? 25 A. No.</p>	<p>1 A. Correct. 2 Q. I don't know -- we could look. I mean 3 records will show whatever they show. My sense was 4 maybe 50 percent of the people have CDLs? 5 A. Possibly. 6 Q. All right. 7 A. I don't -- we hire people without CDLs, and 8 so sometimes we're more lenient than we should be at 9 when they actually get their requirement, get a CDL. 10 Q. Well, you testified that there are 11 normally -- we'll say at least two, if not three 12 vehicles, if you will, that are a part of the group of 13 vehicles that are taken to a well site from a shop, one 14 being the wireline truck, which is 38,000 or possibly 15 48,000 vehicle weight. 16 Do you know enough about how the Department 17 of Transportation classifies vehicles to know that a 18 38,000- or 48,000-pound vehicle is a commercial 19 vehicle? 20 MR. ANTKOWIAK: I'm going to object to the 21 extent you're calling for a legal analysis or 22 conclusion. 23 Q. I'm not looking for legal. I'm just asking 24 if you -- do you know anything about how these 25 vehicles --</p>
55	57
<p>1 Q. Can they fire the riggers? 2 A. They can recommend that they be fired. No, 3 they cannot fire them. 4 Q. But they have the authority to give them 5 orders? 6 A. Yes. 7 Q. To be an engineer or an operator for 8 Wireline, on a typical three-man crew, are they 9 required to have CDLs? 10 A. Yes. 11 Q. Are they required to have hazmat? 12 A. You know, there may be some circumstances 13 where a particular guy is trained in a particular type 14 service that he doesn't need those types of things, 15 but -- 16 Q. Doesn't need a CDL or a hazmat? 17 A. Yes. Possibly, you know. 18 We would prefer that they have CDL as well as 19 hazmat. 20 Q. I have a list -- I'm going to have it here in 21 a little while for you -- that we were provided as part 22 of the documents, because I had asked the question -- 23 or I requested that Renegade identify those employees, 24 those Wireline employees, who had CDLs. 25 Some have them. Some don't?</p>	<p>1 A. We have to have a CDL to drive the trucks. 2 Is that what you're asking? 3 Q. Yeah. That's another way of answering the 4 question. 5 A. Yes. 6 Q. All right. You understand that the wireline 7 truck or trucks -- you have about a hundred of these. 8 Right? 9 A. Yes. 10 Q. You understand that you have to have a CDL in 11 order to drive one of those? 12 A. You have to have a CDL to even drive a pickup 13 if it's got explosives in it, to even drive a car if 14 you have explosives in the car. 15 Q. Do you have designated drivers working for 16 Wireline, for Renegade? 17 A. No. 18 Q. Okay. So the guys who are doing the driving 19 are the same guys who are doing the work out in the 20 field? 21 A. Yes. 22 Q. Okay. And do you understand you have to have 23 hazmat endorsement in order to drive a vehicle with 24 explosives? 25 A. Yes.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

16 (Pages 58 to 61)

58

1 **Q. Do you know whether people who don't have**
 2 **CDLs work the three-man crews?**
 3 A. Yes, they do.
 4 **Q. Does that create problems sometimes because**
 5 **they don't have a CDL; therefore, they can't drive a**
 6 **vehicle, even a small vehicle, with explosives or they**
 7 **can't drive one of the big vehicles?**
 8 A. That gets into the complexity of the
 9 dispatching that I talked about at the shop. So that's
 10 something that you have to identify before you go on
 11 location, you know. If you've got a guy that does not
 12 have a CDL -- to begin with, it's a three-man crew,
 13 and, typically, you're carrying two vehicles out there.
 14 So, typically, you can have one guy without a CDL.
 15 **Q. Okay.**
 16 A. Secondly, if the second man does not have a
 17 CDL --
 18 **Q. In other words, if two out of three don't**
 19 **have a CDL?**
 20 A. -- which would be very unlikely, I would
 21 suspect, then the second guy, you got to make sure he
 22 doesn't have any hazmat on the vehicle that he's
 23 driving. So there are ways to stage things where you
 24 can have different drivers do different things.
 25 **Q. Or if it's close enough -- how long -- I'm**

59

1 just curious. When you send somebody -- and I
 2 understand we're only talking right now about those
 3 jobs where the crews report to the shop as opposed to
 4 reporting directly to the site.
 5 A. Okay.
 6 **Q. Okay. Are there situations where you have to**
 7 **make two runs from the shop to the site because you**
 8 **only have one person with a CDL?**
 9 A. Typically not. Typically, we'd make a lot of
 10 runs to the locations that we're staged on for long
 11 periods of time.
 12 **Q. That was my next question really, which is:**
 13 **How long -- is there an average? Maybe there isn't,**
 14 **the way you've described things.**
 15 A. Am I correct, then, that a job at a
 16 particular well site can be anywhere from a day to even
 17 months at a time?
 18 A. It can be from hours to months at a time.
 19 **Q. Where the equipment, like the wireline truck**
 20 **and the crane will stay at the site?**
 21 A. Yes.
 22 **Q. Or more typically, the wireline truck will**
 23 **stay at the site?**
 24 A. Yes.
 25 **Q. The way you described this to me -- am I**

60

1 correct that, even if you take three vehicles out, the
 2 one vehicle that's assured of staying there so long as
 3 the job is being done is the wireline truck?
 4 A. I don't -- that's really hard to say. I
 5 guess I'm having a hard time understanding what you're
 6 asking.
 7 **Q. Yeah. I'm trying to get a sense -- the**
 8 **typical three-man crew reports to the shop, takes the**
 9 **vehicles with them to the well site, drives them.**
 10 A. Okay.
 11 **Q. Right?**
 12 A. Am I correct that the wireline truck is
 13 typically the truck that will stay there for the
 14 duration of the job?
 15 A. Typically.
 16 **Q. Look. I'm accepting what you're saying,**
 17 **which is, there are going to be variations depending on**
 18 **the work, but the typical situation is to take the**
 19 **wireline truck to the well site, leave it there while**
 20 **the work is being performed?**
 21 A. The wireline truck is the essential piece of
 22 equipment for our business. Everything we do is with
 23 the wireline truck.
 24 **Q. It's equipped with the -- whatever gauges,**
 25 **monitors, equipment necessary to perform the services?**

61

1 A. Yes.
 2 **Q. Okay. All right. The pickup truck is driven**
 3 **to the site. Correct?**
 4 A. (No verbal response.)
 5 **Q. And suppose that job lasts two weeks. Right?**
 6 A. Okay.
 7 **Q. During that period of time, the pickup truck,**
 8 **I would assume, is the one -- is the vehicle that you**
 9 **can use for transportation?**
 10 A. Correct.
 11 **Q. And the pickup truck -- let's say the F-250**
 12 **as an example. It's used for transportation both to**
 13 **the well site and then, also, from the well site either**
 14 **back to the shop or from the well site to the hotels,**
 15 **if you guys were remote?**
 16 A. Yes.
 17 **Q. Do you put people up in hotels?**
 18 A. Yes.
 19 **Q. I would think you'd have to.**
 20 A. Yes.
 21 **Q. Are there situations where you're so remote**
 22 **there is not even a hotel within close proximity?**
 23 A. No, I would say not.
 24 **Q. Even if you've got to go ten or 20 miles?**
 25 A. Typically, we try to keep our driving times

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

17 (Pages 62 to 65)

62	64
<p>1 to within an hour or two --</p> <p>2 Q. Thank you.</p> <p>3 A. -- to location.</p> <p>4 Q. For obvious reasons, logistics, and also --</p> <p>5 Yeah. Okay.</p> <p>6 A. There are exceptions to that.</p> <p>7 Q. Are there situations where guys just have to</p> <p>8 stay at the site?</p> <p>9 A. Yes. I have seen that, yes.</p> <p>10 Q. But that's not the norm?</p> <p>11 A. No.</p> <p>12 Q. All right.</p> <p>13 A. Not the norm -- I wouldn't say that. I mean,</p> <p>14 it can be normal to stay on location. Sometimes</p> <p>15 there's living quarters and facilities set forth to</p> <p>16 keep all the crews on your offshore locations, for</p> <p>17 example. It takes days to get out there, so you're</p> <p>18 not -- you're going to stay out there until the job's</p> <p>19 done, so --</p> <p>20 Q. Is Wireline doing -- as we speak, Renegade is</p> <p>21 doing offshore jobs as well as --</p> <p>22 A. No.</p> <p>23 Q. No?</p> <p>24 A. No.</p> <p>25 Q. Because during the period of time that we're</p>	<p>1 Q. Okay. So 50 percent of the time you have a</p> <p>2 trailer or something behind you?</p> <p>3 A. Sometimes.</p> <p>4 Q. Sometimes?</p> <p>5 A. Yeah. I wouldn't even put a percentage on</p> <p>6 it, you know.</p> <p>7 Q. Okay.</p> <p>8 A. When we need to have a trailer, we'll have a</p> <p>9 trailer.</p> <p>10 Q. Okay. I would assume, if you do -- in those</p> <p>11 situations where you have a trailer that you're taking</p> <p>12 out to the well site from the shop, once you get to the</p> <p>13 site, the trailer stays on the site the way the</p> <p>14 wireline truck stays on the site until the job is done?</p> <p>15 A. Sometimes, yes.</p> <p>16 Q. I would assume --</p> <p>17 A. We have equipment that supports the wireline</p> <p>18 unit that stays on location the whole time, such as the</p> <p>19 crane.</p> <p>20 Q. Yeah.</p> <p>21 A. Sometimes we have a loading trailer out</p> <p>22 there, that we're actually doing work on location. We</p> <p>23 carry our -- we've got a truck -- a trailer that's set</p> <p>24 up like a shop, and that's why we don't have to come</p> <p>25 back to the shops.</p>
63	65
<p>1 talking about here, let's say going back three years --</p> <p>2 actually, the full five years, have you done any</p> <p>3 offshore work in the past five years?</p> <p>4 A. No. No.</p> <p>5 Q. Okay.</p> <p>6 A. We have done some inland water work, where</p> <p>7 you load the equipment on a barge and they haul you out</p> <p>8 with a tugboat and you stay on location for long</p> <p>9 periods of time.</p> <p>10 Q. Is that a small percentage of your work?</p> <p>11 A. Small.</p> <p>12 Q. Okay.</p> <p>13 A. The percentage of -- it's a significant</p> <p>14 amount of jobs that we actually stay on location,</p> <p>15 though. It can be -- the remote locations that you</p> <p>16 talk about, if it gets to where there is no facilities,</p> <p>17 then the customer will set up facilities on location</p> <p>18 for you to stay in.</p> <p>19 Q. Fair enough.</p> <p>20 So coming back to this three-man crew and the</p> <p>21 F-250, you drive the F-250 out to the site. When you</p> <p>22 drive it out to the site, do you normally have anything</p> <p>23 that you're hauling behind it?</p> <p>24 A. I'd say probably an equal amount of time that</p> <p>25 you do and don't.</p>	<p>1 Q. How do you get that trailer out to the site?</p> <p>2 A. With the pickup.</p> <p>3 Q. Okay. But I would imagine -- you tell me if</p> <p>4 I'm wrong -- for example, for transporting people, the</p> <p>5 crew back and forth between the site and the hotel, you</p> <p>6 don't have the trailer stuck on the back of the pickup?</p> <p>7 A. Correct.</p> <p>8 Q. Yeah. What does the wireline truck -- what</p> <p>9 does it run on, diesel fuel?</p> <p>10 A. I have diesel. I have gas. And I have</p> <p>11 compressed, CNG vehicles.</p> <p>12 Q. If it's running -- how often is it running</p> <p>13 when it's on the site?</p> <p>14 A. The pickup?</p> <p>15 Q. No. The wireline truck.</p> <p>16 A. The whole time.</p> <p>17 Q. Okay. So the truck is running?</p> <p>18 A. For a month at a time.</p> <p>19 Q. Okay. And it uses fuel?</p> <p>20 A. Yes.</p> <p>21 Q. Okay. And where does it get the fuel to run?</p> <p>22 A. The customer has diesel fuel trucks deliver</p> <p>23 fuel.</p> <p>24 Q. And are there occasions when you have to go</p> <p>25 out and get your own fuel for the wireline truck?</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

18 (Pages 66 to 69)

<p style="text-align: right;">66</p> <p>1 A. There's occasions, when we're not out there</p> <p>2 for a month at a time, that we're filling up before we</p> <p>3 arrive at the location. It would be very, very unusual</p> <p>4 to rig down a piece of equipment, have to go in and</p> <p>5 fuel up, and then come back to the same location to</p> <p>6 continue the job. I can't even -- I can't even think</p> <p>7 of a time in my 40 years that we've had to do that.</p> <p>8 Q. When your crews get out to the well sites and</p> <p>9 need something, like from a shop, I would imagine -- do</p> <p>10 those occasions arise?</p> <p>11 A. Absolutely.</p> <p>12 Q. Yeah. Yeah.</p> <p>13 Does somebody from the site go back to the</p> <p>14 shop to get that part or supply and then take it back</p> <p>15 to the well site?</p> <p>16 A. Traditionally, we have people at the shop</p> <p>17 that go from the shop, because you hope not to</p> <p>18 interrupt the services that you're doing. So the</p> <p>19 people that are on location are required -- there are a</p> <p>20 required number of people to do the job, so you usually</p> <p>21 don't have extra people to send back to the shop. But</p> <p>22 it happens occasionally.</p> <p>23 Q. Do you have any particular term that's used</p> <p>24 to describe those runs back to the shop or to the site</p> <p>25 or, for example, from the site to an outside supplier</p>	<p style="text-align: right;">68</p> <p>1 A. Yeah.</p> <p>2 Q. Because that's what a shaped charge would</p> <p>3 normally be?</p> <p>4 A. Yeah.</p> <p>5 Q. Use it once?</p> <p>6 A. We have parts that we reuse or we clean up,</p> <p>7 reuse and reload perforating guns, but the whole</p> <p>8 assembly is a one-use deal, and then, you reassemble</p> <p>9 another. And there are parts of the assembly that</p> <p>10 we've reused.</p> <p>11 Q. Almost like in fireworks, I mean, the</p> <p>12 fireworks, themselves, obviously, you shoot them once;</p> <p>13 they go off; they're beautiful; they're done. But the</p> <p>14 launchers themselves you keep using?</p> <p>15 A. Right. Correct.</p> <p>16 Q. And in your case, the thing you keep using is</p> <p>17 the gun?</p> <p>18 A. Generally, the couplers or what we call the</p> <p>19 "subs," that couple these various guns together. The</p> <p>20 guns come in different lengths. They come in different</p> <p>21 sizes. We don't just go down and shoot one set of</p> <p>22 holes in one spot. We set up -- we'll shoot a gun.</p> <p>23 We'll reposition the gun to another part of the hole,</p> <p>24 shoot another gun, and reposition. So we have various</p> <p>25 hardware that we use to do that with, and that's</p>
<p style="text-align: right;">67</p> <p>1 to pick things up, parts, supplies, anything like that?</p> <p>2 A. Traditionally called a hotshot.</p> <p>3 Q. I would assume any one of the crew members --</p> <p>4 you tell me. Between the engineer, the operator -- or</p> <p>5 the operator and the two riggers, can you say that it's</p> <p>6 more likely that one of the two riggers will make that</p> <p>7 hotshot or the operator?</p> <p>8 A. It's traditionally the low man on the pole.</p> <p>9 Q. Meaning seniority?</p> <p>10 A. Yes.</p> <p>11 Q. You spent your time, I assume, in this</p> <p>12 business. You've been a part of those crews</p> <p>13 yourself --</p> <p>14 A. Yes.</p> <p>15 Q. -- I would think?</p> <p>16 A. Yeah. I started from the ground up.</p> <p>17 Everybody that is part of this company started from</p> <p>18 cleaning out grease out of the back of a wireline</p> <p>19 truck.</p> <p>20 Q. What kinds of supplies are needed when you</p> <p>21 get to the site, normally?</p> <p>22 A. Additional perforating guns.</p> <p>23 Q. Is it a one use and you're done?</p> <p>24 A. Yes.</p> <p>25 Q. I would think.</p>	<p style="text-align: right;">69</p> <p>1 generally reusable.</p> <p>2 Q. The guns, themselves?</p> <p>3 A. The guns are the tubes. You shoot a hole</p> <p>4 through them, and you throw them away. So the guns,</p> <p>5 themselves -- carriers or guns or tubes, they're a</p> <p>6 one-shot deal.</p> <p>7 Q. Am I correct the shaped charges are within</p> <p>8 those guns?</p> <p>9 A. Correct.</p> <p>10 Q. I gotcha.</p> <p>11 You must have a wire -- are these activated</p> <p>12 or set off by an electrical signal?</p> <p>13 A. Yes.</p> <p>14 Q. Okay. An electrical actuator, I guess you'd</p> <p>15 call it. Is that right?</p> <p>16 A. We send a -- it's a very complex operation.</p> <p>17 We send a digital command down there and tell it to</p> <p>18 fire.</p> <p>19 Q. But that's sent down by an electrical --</p> <p>20 A. From the surface.</p> <p>21 Q. By a line?</p> <p>22 A. By the engineer.</p> <p>23 Q. Is it sent by a line, a hard line?</p> <p>24 A. Yes. Our cables have an electric conductor</p> <p>25 in the middle of them.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

19 (Pages 70 to 73)

70	72
<p>1 Q. It's not like you guys are sending -- like</p> <p>2 you have wifi out there where you're sending the</p> <p>3 signals?</p> <p>4 A. Correct.</p> <p>5 Q. Okay. All right. So the types of things</p> <p>6 that somebody would pick up on a hotshot, so called,</p> <p>7 what would those types of things be? What would you</p> <p>8 typically have somebody run out and pick up to bring</p> <p>9 back to the well site?</p> <p>10 A. Typically, guns would be the biggest.</p> <p>11 Q. Which is really the tubes?</p> <p>12 A. Right. The assembly.</p> <p>13 Q. And the assembly includes the charges?</p> <p>14 A. Yes.</p> <p>15 Q. Okay. All right. So when the pickup goes</p> <p>16 back to the shop, it's not carrying any explosives, but</p> <p>17 when it goes from the shop to the well site, it has</p> <p>18 explosives?</p> <p>19 A. Correct.</p> <p>20 Q. So you've got to send somebody out that has</p> <p>21 the CDL and the hazmat endorsement?</p> <p>22 A. If we're hauling guns. There are other</p> <p>23 things that we haul to and from location.</p> <p>24 Q. Good. Let's talk about the things other than</p> <p>25 the guns.</p>	<p>1 not supplying fuel, we have fuel containers that we</p> <p>2 haul fuel out there, ourselves, to fill up.</p> <p>3 Q. How big?</p> <p>4 A. I don't even know.</p> <p>5 Q. Okay. I'm going to -- does it fit on the</p> <p>6 back of the F-250?</p> <p>7 A. It fits in the pickup truck, yes.</p> <p>8 Q. Right.</p> <p>9 Do you have an L tank, the shape?</p> <p>10 A. Is it L? No, I don't think so.</p> <p>11 Q. Like an 80-, 90-gallon tank?</p> <p>12 A. That would be a good estimate.</p> <p>13 Q. Look. I'm asking these things because I know</p> <p>14 a little bit about the business.</p> <p>15 A. Uh-huh.</p> <p>16 Q. And that's what we've learned from other</p> <p>17 businesses, that typically, the diesel fuel is hauled</p> <p>18 in a tank on the back of a pickup.</p> <p>19 A. There are certain parts of our business that</p> <p>20 typically that is done, but that is not typical of our</p> <p>21 operations. It's very, very unusual when we have to</p> <p>22 haul our own fuel on location.</p> <p>23 Q. Gotcha.</p> <p>24 Lubricants, grease, diesel fuel, personal</p> <p>25 protective equipment?</p>
71	73
<p>1 A. That can be anything from, a guy needs some</p> <p>2 clothes to black tape to -- I mean, it could be a</p> <p>3 thousand and one things.</p> <p>4 Q. Let's run off some of those things. Go</p> <p>5 ahead.</p> <p>6 A. The supplies that we use on location to do</p> <p>7 the job.</p> <p>8 Q. Give me some examples, because I don't know</p> <p>9 your business.</p> <p>10 A. Black tape, wire. There are some specialized</p> <p>11 insulators and equipment that -- downhole tools, collar</p> <p>12 locators, the deals that locate the couplings, the</p> <p>13 lubricator. There's lots of equipment that is</p> <p>14 associated with the lubricator that could go bad. It's</p> <p>15 just -- I mean, we could go on forever on that, you</p> <p>16 know.</p> <p>17 Q. Do you have materials to clean up spills,</p> <p>18 grease spills, anything like that?</p> <p>19 A. We have material on location for</p> <p>20 containment-type stuff, so, yes.</p> <p>21 Q. So if you run out of that stuff, you have to</p> <p>22 go back and get more?</p> <p>23 A. Yes. Grease. You know, we run out of</p> <p>24 grease. We have to go back and get some. We might</p> <p>25 have to have diesel. Your fuel -- if the customer's</p>	<p>1 A. Yeah.</p> <p>2 Q. Do the guys have to wear personal protective</p> <p>3 equipment out there at the sites?</p> <p>4 A. Yes.</p> <p>5 Q. That includes boots, goggles?</p> <p>6 A. Ear protection, gloves.</p> <p>7 Q. Earplugs, yeah, gloves.</p> <p>8 A. FR uniforms, fire retardant.</p> <p>9 Q. Fire resistant -- or fire retardant?</p> <p>10 A. Yeah.</p> <p>11 Q. Tell me the difference between resistant and</p> <p>12 retardant. I don't know the difference.</p> <p>13 A. Fire retardant -- FR is all I know what it</p> <p>14 means.</p> <p>15 Q. FR. Yeah. Okay.</p> <p>16 Respirators of any kind, do you need that?</p> <p>17 A. Not up here. There are times when we have</p> <p>18 oxygen or -- we do work in the H2S environment at some</p> <p>19 points.</p> <p>20 Q. In the Permian?</p> <p>21 A. In the Permian especially.</p> <p>22 Q. Yeah. Okay. Do the sites provide the</p> <p>23 explosive monitors, readers, to see what kind of</p> <p>24 explosive gases are present, or do you guys take that</p> <p>25 with you?</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

20 (Pages 74 to 77)

74	<p>1 A. We have it with us sometimes. Sometimes they 2 have it. We do have personal H2S monitors and required 3 by some customers on some locations. Our customers 4 base --</p> <p>5 Q. Are the meters something that they wear?</p> <p>6 A. Yeah.</p> <p>7 Q. All right. Okay. I'm just curious. The 8 Permian Basin, is that typically kind of the 9 traditional kind of pools of oil and gas, not embedded 10 in a formation but more actually in a pool form?</p> <p>11 A. There is no such thing as a pool of oil in 12 the ground.</p> <p>13 Q. Really?</p> <p>14 A. It would cave in.</p> <p>15 Q. Yeah. Yeah. So it's always --</p> <p>16 A. -- embedded in rock.</p> <p>17 Q. Thank you.</p> <p>18 And it depends what kind of rock and how easy 19 it is to get out?</p> <p>20 A. Yeah. And the Permian Basin is very hard to 21 get out. It's high porosity -- very low porosity. 22 Porosity is around 8 percent. So there is so much -- 23 they expected the Permian Basin to be done 50 years 24 ago, but we keep finding different ways of recovering 25 that oil that's still left in there, and, still, the</p>	76	<p>1 Are those the best -- I mean, that is as complete a 2 listing that you have of what the titles are, 3 typically, an engineer or operator and then the two 4 hands, riggers?</p> <p>5 A. Yes. They can have various stages of 6 qualifications or experience levels.</p> <p>7 Q. Such as, somebody can be a rigger 1, a 8 rigger 2, a senior rigger, a junior rigger?</p> <p>9 A. Right.</p> <p>10 Q. But it's basically rigger or hand, engineer 11 or operator?</p> <p>12 A. Yeah. There is kind of one other 13 classification in there, and that's SSE, or 14 short-service personnel --</p> <p>15 Q. Yeah.</p> <p>16 A. -- short-service employee. They've kind of 17 got their own -- they have to be treated very 18 differently.</p> <p>19 Q. Well, the short-service employee, as I 20 understand, that's an industry term?</p> <p>21 A. Yeah, I guess you'd call it an industry term.</p> <p>22 Q. I mean, I've heard it in other businesses.</p> <p>23 A. Other industries, yeah, I think.</p> <p>24 Q. So is it the customer that defines the 25 short-term or short-service employees?</p>
75	<p>1 amount that we're able to recover is a small amount to 2 what's still left in the ground that we can't get out.</p> <p>3 Q. So even the oil in the Middle East isn't 4 sitting there in a pool of oil?</p> <p>5 A. I don't know anything about the Middle East.</p> <p>6 Q. That was always the impression I had.</p> <p>7 A. You could be right on that --</p> <p>8 Q. Yeah.</p> <p>9 A. -- because they do have vast amounts of -- I 10 mean, their production --</p> <p>11 Q. And they're not doing any fracking?</p> <p>12 A. No.</p> <p>13 Q. All they're doing is poking a hole?</p> <p>14 A. Not very many countries outside of the U.S. 15 are up on the technology of fracking. They're getting 16 there, but --</p> <p>17 Q. Yeah. Well, let me turn now, if you could, 18 to Exhibit 2. Okay. Take a look at Exhibit 2. Let me 19 just direct your attention -- we're going to kind of 20 take this one at a time. Number 1, item 1, I think 21 you've described here today the corporate structure, I 22 mean, in terms of how you're organized and your 23 position in the organization.</p> <p>24 Let's talk a little bit about titles and the 25 titles for the people who are, first, on the crews.</p>	77	<p>1 A. Some customers have their own definitions of 2 it, but we also have a definition of short-service 3 employee.</p> <p>4 Q. Do the short service employees -- do they get 5 assigned to crews, to three-man crews?</p> <p>6 A. They can be assigned to a three-man crew, 7 yes.</p> <p>8 Q. And I would assume, if they're assigned to a 9 three-man crew, they tend -- they're going to be the 10 junior member of that crew, normally?</p> <p>11 A. We have some customers that they actually -- 12 that dictate what percentage of our crew can be 13 short-service personnel, and so at some point, they 14 have to be in addition to the three-man crew, and 15 sometimes they can actually be part of it. By our 16 regulations, they can be part of the three-man crew, 17 and, yes, they would be the low man on the pole.</p> <p>18 Q. By "our regulations," you mean by Renegade 19 regulations?</p> <p>20 A. Yes.</p> <p>21 Q. And regulations meaning your internal 22 procedures?</p> <p>23 A. Our policies and procedures.</p> <p>24 Q. Is there any particular length of time that 25 somebody is designated as a short-service employee?</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

21 (Pages 78 to 81)

78	<p>1 A. Yes.</p> <p>2 Q. How long?</p> <p>3 A. I think it's six months at a minimum.</p> <p>4 Q. You think. Is there any hard-and-fast rule</p> <p>5 about that?</p> <p>6 A. I think we have it defined in the answers</p> <p>7 that we have given to you.</p> <p>8 Q. Take a look at the answers. You tell me.</p> <p>9 I'll help you.</p> <p>10 MR. ANTKOWIAK: Joe, if I'm correct, we also</p> <p>11 have supplemental responses. I don't think they</p> <p>12 were part of Exhibit 3, unless I'm mistaken.</p> <p>13 MR. CHIVERS: No, they weren't.</p> <p>14 MR. ANTKOWIAK: I think that's where</p> <p>15 Mr. Cassady is referring to.</p> <p>16 MR. CHIVERS: Let me go get those.</p> <p>17 (Pause in the proceedings.)</p> <p>18 MR. CHIVERS: Back on the record.</p> <p>19 Q. While we're waiting -- I'm having those</p> <p>20 copied right now. I was talking about your statement</p> <p>21 before about the wireline trucks. And you've got a</p> <p>22 hundred of these, about?</p> <p>23 A. About.</p> <p>24 Q. About.</p> <p>25 \$500,000-or-so per truck?</p>	80	<p>1 A. Apache.</p> <p>2 Q. Apache.</p> <p>3 Up here, it's Iroquois. I'm just -- Right?</p> <p>4 I don't know.</p> <p>5 Oxy, Apache. Are these the people that</p> <p>6 actually own the well sites, or they're the ones, at</p> <p>7 least, that have the leases?</p> <p>8 A. The leases, yeah.</p> <p>9 Q. Okay. Oxy, Apache. Is Chevron down in the</p> <p>10 Permian?</p> <p>11 A. Yes, they are. I don't know that we're</p> <p>12 working for them.</p> <p>13 Q. I only want to know the ones you've done work</p> <p>14 for. Oxy, Apache --</p> <p>15 A. I mean, we have done work for Chevron up</p> <p>16 here. Shell Oil is one of our large customers. I</p> <p>17 really -- our customer base is in the hundreds, so --</p> <p>18 Q. Is that right?</p> <p>19 A. Yeah. You know, that's some of the larger</p> <p>20 ones, the top of the pile.</p> <p>21 Q. Yeah. Yeah.</p> <p>22 Range Resources?</p> <p>23 A. It's been several years since I've worked for</p> <p>24 them, but I have worked for them.</p> <p>25 Q. Does Haliburton run these well services, or</p>
79	<p>1 A. They can vary, but that's a good average, I</p> <p>2 guess.</p> <p>3 Q. Yeah. I mean, it's got all of your equipment</p> <p>4 on it that you need for the job, a lot of diagnostics?</p> <p>5 A. A lot of it's stored at the shop. We share</p> <p>6 equipment from truck to truck. A lot of the</p> <p>7 specialized tools and all you don't use on a daily</p> <p>8 basis per truck.</p> <p>9 Q. But a reasonable estimate is about a \$500,000</p> <p>10 investment in each of these trucks?</p> <p>11 A. I would say it's closer to probably a million</p> <p>12 dollar investment.</p> <p>13 Q. In each truck?</p> <p>14 A. In each truck.</p> <p>15 Q. Okay. All right. Your clients, Chevron,</p> <p>16 Range, CNX?</p> <p>17 A. I don't think we've done any CNX. We have</p> <p>18 done Range.</p> <p>19 Q. Are they the same players both up in</p> <p>20 Pennsylvania and down in the Texas area?</p> <p>21 A. No.</p> <p>22 Q. All right. Who are the big players down in</p> <p>23 Texas?</p> <p>24 A. Oxy.</p> <p>25 Q. O-x-y?</p>	81	<p>1 do they just do services like you guys?</p> <p>2 A. They're a service company, but they -- they</p> <p>3 have services that run the companies -- that run the</p> <p>4 well sites. So they could do it, and they could be</p> <p>5 just performing a service. They have cased hole</p> <p>6 wireline service also.</p> <p>7 Q. That's what I thought. Yeah.</p> <p>8 A. And they are into all facets of the oil and</p> <p>9 gas industry, from -- everything except probably -- and</p> <p>10 they probably own portions of wells.</p> <p>11 Q. Yeah. At any given time -- let's just take</p> <p>12 the last year -- you're running how many crews at the</p> <p>13 same time?</p> <p>14 A. We've got a crew per --</p> <p>15 Q. Per truck?</p> <p>16 A. Where are you talking?</p> <p>17 Q. Throughout your operation, throughout your</p> <p>18 business.</p> <p>19 A. How many crews? I wouldn't even know. I</p> <p>20 wouldn't even know how to answer that.</p> <p>21 Q. You've got a hundred trucks about. Right?</p> <p>22 A. Right.</p> <p>23 Q. So you could run up to a hundred jobs at a</p> <p>24 time?</p> <p>25 A. Correct.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

22 (Pages 82 to 85)

82

1 Q. All right. What have you been doing in the
 2 last year? Have you been running 75 jobs at a time? A
 3 hundred jobs at a time?
 4 A. I don't know. I don't know what our
 5 activity -- there's a term for it, our activity level
 6 or --
 7 Q. Yeah. Yeah.
 8 A. -- utilization -- equipment utilization. I
 9 do not know what it is.
 10 Q. Okay. But you indicated that at least --
 11 now, is this true of the past year or so, that you've
 12 been running about 400 employees, 300 of whom are doing
 13 the actual -- working at the well sites?
 14 A. I just guessed at the 300. It's probably
 15 closer to 350. The majority of our people work at the
 16 well site. We are very --
 17 Q. -- lean?
 18 A. -- lean. Correct.
 19 Q. That's what it sounds like. Okay. Yeah.
 20 And the other 50 people would be people
 21 assigned to the shops; in other words, administrative
 22 people, support people, that sort of thing?
 23 A. Correct.
 24 Q. Do you actually run out of a headquarters
 25 someplace, a main office?

83

1 A. No.
 2 Q. Okay. So you run -- you, personally, run out
 3 of a shop, or where do you actually have your office?
 4 A. My telephone, my laptop, wherever I'm at. I
 5 spend a lot of time on the road.
 6 Q. Yeah.
 7 A. Motel rooms.
 8 Q. You guys are a --
 9 A. I do have an office in Austin.
 10 Q. Thank you.
 11 A. In New Braunfels, Texas.
 12 Q. Texas?
 13 A. But the majority of the time I'm gone.
 14 Q. You're registered as a Texas corporation,
 15 LLC?
 16 A. Yes.
 17 Q. Okay. So you file -- are there corporate
 18 taxes in Texas?
 19 A. I'm sure there are. I'd have to get my
 20 accountant to answer that.
 21 Q. Your accountant is out of Texas?
 22 A. Texas, yeah.
 23 Q. You don't have an exact figure, I imagine,
 24 based on what you're saying to me right now, but I
 25 mean, you run 75, a hundred million a year in revenues?

84

1 MR. ANTKOWIAK: Just for the record, we'll
 2 object on this point. Mr. Chivers and I spoke
 3 beforehand. I indicated to him that concerning
 4 revenue, capitalization -- I believe this is
 5 within topic designated as number 3 -- we have
 6 objected to providing this information at this
 7 stage. And we agreed that, if Mr. Cassady knew
 8 what the revenues were at this time, he would
 9 state that, but, otherwise, questions concerning
 10 topic 3 we would push off to another phase of this
 11 case.
 12 MR. CHIVERS: That's fair. I agree with
 13 that.
 14 BY MR. CHIVERS:
 15 Q. I do think it's helpful if you just can give
 16 me a reasonable approximation of revenues.
 17 A. You know, I really don't understand why that
 18 would be important. That doesn't reflect -- that's
 19 just one part of the revenue number.
 20 I mean, if we talk about the upper end of
 21 revenue, it doesn't have anything to do with what gets
 22 down to the bottom line and all that.
 23 Q. I'm with you on that. I understand.
 24 A. I don't think it's a -- I think it's not a
 25 very good reflection of what we even do. But I just

85

1 don't see why we need to know that number.
 2 MR. ANTKOWIAK: I'll just say this: If you
 3 know with certainty what the number is, disclose
 4 it. If you don't know with certainty, then don't
 5 answer, and we'll move this to a different phase
 6 of the case.
 7 A. I can tell you that it exceeds a hundred
 8 million dollars a year.
 9 Q. That's the way I was going to ask the
 10 question, and that's all I'm going to ask you.
 11 A. Okay.
 12 Q. Okay. That's it.
 13 A. I just really think that's not --
 14 Q. By the way, sir, I'm sensitive to that, and
 15 we've had a good discussion about that. All right?
 16 A. Okay.
 17 Q. I just think, at the end of the day, it's
 18 going to be helpful. All right.
 19 Now, let's get back, because we were talking
 20 on this 30(b)(6). I do need to know, to the best of
 21 your ability --
 22 MR. CHIVERS: By the way, I got the
 23 supplement responses. Let's mark that. Okay?
 24 (Whereupon, Deposition Exhibit 4 was marked
 25 for identification.)

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

23 (Pages 86 to 89)

86	<p>1 (Discussion off the record.)</p> <p>2 Q. Anyway, turning back to this question of the</p> <p>3 titles, okay, I listened to you. I think I understand</p> <p>4 where you're coming from in terms of titles not</p> <p>5 necessarily being all that fixed. Things are fluid.</p> <p>6 You're out there, getting the job done. Fair enough?</p> <p>7 A. Correct.</p> <p>8 Q. Normally -- you've gone through and told me,</p> <p>9 normally, you call the guys out there on the three-man</p> <p>10 crew -- you've got an engineer or operator, and you've</p> <p>11 got two riggers or hands. Correct?</p> <p>12 A. Correct.</p> <p>13 Q. Okay. What other titles do you have? Are</p> <p>14 those the normal titles for people who are out there at</p> <p>15 the well sites?</p> <p>16 A. Normally, they're called engineers and</p> <p>17 riggers.</p> <p>18 Q. That's fair.</p> <p>19 And then, you started telling me about these</p> <p>20 SSEs.</p> <p>21 A. Right.</p> <p>22 Q. I know we'll go back and just make sure that</p> <p>23 we're finished on that point.</p> <p>24 Normally, you say it's a six-month period?</p> <p>25 A. Correct.</p>	88
87	<p>1 Q. Do you make them wear a different hat color</p> <p>2 or anything like that?</p> <p>3 A. Green hat, worm.</p> <p>4 Q. Green hat?</p> <p>5 A. Uh-huh.</p> <p>6 Q. What did you say, "worm"?</p> <p>7 A. Worm. That's what they're referred to as.</p> <p>8 Q. They're worms?</p> <p>9 A. Right. Basically, they have to be mentored</p> <p>10 the whole time that they're out there, so they're not</p> <p>11 of much value.</p> <p>12 Q. Okay.</p> <p>13 A. Their value comes from later down the road.</p> <p>14 That's our OJT training.</p> <p>15 Q. Let me ask you something. Do you bill the</p> <p>16 customer for a crew member who is an SSE?</p> <p>17 A. No.</p> <p>18 Q. You don't bill them?</p> <p>19 A. We don't bill them by personnel that are out</p> <p>20 on location.</p> <p>21 Q. How do you bill the customer for a crew?</p> <p>22 A. By services performed.</p> <p>23 Q. And correct me if I'm wrong, but when you</p> <p>24 send an SSE out as part of the three-man crew, he's</p> <p>25 assisting in the performance of those services.</p>	89

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

24 (Pages 90 to 93)

90	<p>1 Q. When did you change?</p> <p>2 A. Last month.</p> <p>3 Q. Fair enough.</p> <p>4 You went to hourly?</p> <p>5 A. On portions of them, yes. Some of them are</p> <p>6 still salaried.</p> <p>7 Q. Who did you change to hourly, and who did you</p> <p>8 keep at salaries?</p> <p>9 A. The riggers and below.</p> <p>10 Q. The riggers and below are now hourly?</p> <p>11 A. Up here.</p> <p>12 Q. Up here?</p> <p>13 A. Yes. And still, in other parts of our</p> <p>14 company, they continue to do it just like it's always</p> <p>15 been.</p> <p>16 Q. Okay. Correct me if I'm wrong -- whether</p> <p>17 you're a rigger --</p> <p>18 (Discussion off the record.)</p> <p>19 Q. -- whether you're a rigger up in Pennsylvania</p> <p>20 or a rigger down in Texas, you are part of a three-man</p> <p>21 crew typically. Correct?</p> <p>22 A. Typically.</p> <p>23 Q. All right. Whether you're a rigger up here</p> <p>24 in Pennsylvania or a rigger down in Texas, typically,</p> <p>25 you have an engineer or, slash, operator?</p>	92	<p>1 trucks are pretty much interchangeable?</p> <p>2 A. Yes.</p> <p>3 Q. Okay. So you've got the -- you were telling</p> <p>4 me that the riggers, at least up in this neck of the</p> <p>5 woods -- now, would two of those districts be yours,</p> <p>6 where you've gone to hourly for the riggers?</p> <p>7 A. Yes, that's the two that I have changed.</p> <p>8 Q. Very good.</p> <p>9 But you didn't change your two down in Texas?</p> <p>10 A. One was already on hours.</p> <p>11 Q. Very good.</p> <p>12 Which one had already been on hours for the</p> <p>13 riggers?</p> <p>14 A. The Refugio.</p> <p>15 Q. How do you spell that?</p> <p>16 A. R-e-f-u-g-i-o.</p> <p>17 And the Devine is also changed. All of my</p> <p>18 three -- all of my four districts are on hours.</p> <p>19 Q. Fair enough.</p> <p>20 For the riggers?</p> <p>21 A. For riggers and below.</p> <p>22 Q. Riggers and below?</p> <p>23 A. Right.</p> <p>24 Q. Not for the operating engineers?</p> <p>25 A. Correct.</p>
91	<p>1 A. Correct.</p> <p>2 Q. All right. And am I correct, sir, that</p> <p>3 wherever you are, on the -- what do you call it? --</p> <p>4 land based -- you are performing the same basic</p> <p>5 services of going out to the sites and conducting</p> <p>6 either mechanical, electrical, or ballistic services.</p> <p>7 Correct?</p> <p>8 A. Correct.</p> <p>9 Q. All right. And whether you're up in</p> <p>10 Pennsylvania or whether you're down in Texas or any</p> <p>11 other place where Renegade does business, you have the</p> <p>12 same wireline trucks?</p> <p>13 A. They can vary in design, yes.</p> <p>14 Q. But I would assume sometimes you have a</p> <p>15 wireline truck in Texas; you need one up in</p> <p>16 Pennsylvania; and somebody drives it up to</p> <p>17 Pennsylvania?</p> <p>18 A. Correct.</p> <p>19 Q. And vice versa?</p> <p>20 A. We have -- there are some specialized trucks</p> <p>21 that operate in special -- in different parts of the</p> <p>22 country that would not be much use up in this part of</p> <p>23 the country, and we have some here that wouldn't be</p> <p>24 much use in their part of the country, so --</p> <p>25 Q. The majority of your hundred-or-so wireline</p>	93	<p>1 Q. Okay. Is there some reason you distinguish</p> <p>2 between the operating engineers and the riggers when</p> <p>3 you went to hourly for the riggers?</p> <p>4 A. They're typically in a supervisor position,</p> <p>5 and that's typically just -- that is our more</p> <p>6 experienced personnel. And because of us changing from</p> <p>7 salary to hourly, we lost a lot of people, and I did</p> <p>8 not want to take the chance of losing our key personnel</p> <p>9 because of this change.</p> <p>10 Q. The key personnel no doubt would be your</p> <p>11 engineers/operator?</p> <p>12 A. Yes.</p> <p>13 Q. He's the guy you depend upon out at the site</p> <p>14 to get the job done safely, efficiently?</p> <p>15 A. He's the supervisor. He's in charge of that</p> <p>16 location while we are on location --</p> <p>17 Q. Fair enough. Fair enough.</p> <p>18 A. -- on our section of the business. He</p> <p>19 doesn't control the whole location for other service</p> <p>20 companies.</p> <p>21 Q. I understood that, by the way. Yeah.</p> <p>22 All right. Refugio, I would assume, is</p> <p>23 Spanish for refuge, I would think. But whatever.</p> <p>24 We'll get somebody in here that speaks Spanish.</p> <p>25 All right. So we talked about the</p>

NETWORK DEPOSITION SERVICES**Transcript of Randy Cassady**

25 (Pages 94 to 97)

94	96
<p>1 short-service employee. Now let's talk about the</p> <p>2 riggers. You seem to use the term "riggers" more than</p> <p>3 "hands"?</p> <p>4 A. That's the one that I'm more comfortable</p> <p>5 with.</p> <p>6 Q. That's what we'll go with. All right?</p> <p>7 A. Okay.</p> <p>8 Q. All right. Are there any other titles of</p> <p>9 people who go to the sites on a regular basis, to the</p> <p>10 well sites?</p> <p>11 A. You know, I go -- we have crane operators.</p> <p>12 Q. Thank you. That's what I meant.</p> <p>13 A. Okay.</p> <p>14 Q. And the crane operators, are they typically</p> <p>15 guys who are driving the cranes?</p> <p>16 A. Yes.</p> <p>17 Q. Yeah, I would think.</p> <p>18 A. Yeah.</p> <p>19 Q. These are these big cranes that are a</p> <p>20 combination; it's a crane and a truck?</p> <p>21 A. I have some that's strictly cranes.</p> <p>22 Q. Hauled on the back of a trailer?</p> <p>23 A. No. They're on a truck, but -- I have two</p> <p>24 types. One's a truck-mounted crane.</p> <p>25 Q. Yeah.</p>	<p>1 A. When we need a crane, we probably have a</p> <p>2 four-man crew on location.</p> <p>3 Q. That's what I thought, the way you described</p> <p>4 this.</p> <p>5 A. That allows me to have an SSE on location,</p> <p>6 because, normally, you cannot have, normally,</p> <p>7 25 percent of your crew as an SSE.</p> <p>8 Q. Normally, by customer limits?</p> <p>9 A. Yes, by one of my major customers, so we try</p> <p>10 to follow that.</p> <p>11 Q. Which one of those major customers?</p> <p>12 A. Shell.</p> <p>13 Q. Okay.</p> <p>14 A. Chevron. That's pretty much an industry</p> <p>15 standard.</p> <p>16 Q. So the crane operators, when they're assigned</p> <p>17 and they're at the well sites, what are they doing?</p> <p>18 A. They're running the crane and they're</p> <p>19 rigging.</p> <p>20 Q. That's what I thought, the way you described</p> <p>21 it, because they're experienced riggers, too?</p> <p>22 A. Right.</p> <p>23 Q. And the rigging is literally -- you referred</p> <p>24 to that whole activity of getting your shaped charges</p> <p>25 or your tools, or whatever it is that you're running,</p>
95	97
<p>1 A. And one is a crane, a mobile crane.</p> <p>2 Q. A mobile -- a motorized crane?</p> <p>3 A. Right.</p> <p>4 Q. You got both?</p> <p>5 A. Yes.</p> <p>6 Q. When those guys are going out to the sites,</p> <p>7 are these -- they can be driven either from a shop or</p> <p>8 even from another job location or another well site to</p> <p>9 a well site?</p> <p>10 A. Yes.</p> <p>11 Q. Your crane operators, do you pay them a</p> <p>12 salary?</p> <p>13 A. Our crane operators are typically our</p> <p>14 experienced operators, so the --</p> <p>15 Q. Meaning engineers?</p> <p>16 A. No. Meaning riggers, our experienced</p> <p>17 riggers.</p> <p>18 Q. Thanks. Okay.</p> <p>19 A. That's kind of a -- it's kind of a middle</p> <p>20 point between -- when a rigger becomes qualified to run</p> <p>21 a truck, become an engineer --</p> <p>22 Q. Yeah.</p> <p>23 A. -- he will fill the crane operator's spot</p> <p>24 also.</p> <p>25 Q. I gotcha.</p>	<p>1 down the hole, positioned properly, and then, in fact,</p> <p>2 getting it down to where it needs to be in the hole?</p> <p>3 A. Yes.</p> <p>4 Q. All right. What do you have the -- whatever</p> <p>5 line you're running down the hole or string you're</p> <p>6 running down the hole, is that on a spool of some kind?</p> <p>7 A. It's on the end of that cable, so the tool</p> <p>8 string attaches to the end of the cable.</p> <p>9 Q. I gotcha.</p> <p>10 And the cable is on a spool?</p> <p>11 A. -- is on a spool.</p> <p>12 Q. A big spool that's on the wireline truck?</p> <p>13 A. Yes.</p> <p>14 Q. All right. Is that in a motorized -- that</p> <p>15 spool is run by a motor?</p> <p>16 A. The truck engine runs it.</p> <p>17 Q. Thanks. Okay.</p> <p>18 Hence, the reason that you've got to run the</p> <p>19 damn truck -- pardon my French -- but you've got to run</p> <p>20 the truck so much of the time?</p> <p>21 A. Yes.</p> <p>22 Q. That's what's giving you the power to do all</p> <p>23 the work?</p> <p>24 A. That's where we control what's on the end of</p> <p>25 the cable as well as control the cable itself.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

26 (Pages 98 to 101)

98	<p>1 Q. Gotcha.</p> <p>2 A. It's a winch truck. It's got a big drum on</p> <p>3 it with 30,000 feet of cable on the end of it.</p> <p>4 Q. Thanks, because I haven't seen a picture of</p> <p>5 it, but you're giving me a good picture. All right.</p> <p>6 A. If you think of a spaceship, that's what the</p> <p>7 inside of our trucks look like.</p> <p>8 Q. Lots of gauges and pictures, digital</p> <p>9 readings. Right?</p> <p>10 A. Yes.</p> <p>11 Q. Buttons?</p> <p>12 A. Buttons and knobs and levers, a very complex</p> <p>13 piece of equipment.</p> <p>14 Q. Yeah. Is it the engineer or operator who's</p> <p>15 in charge really of that unit, of the --</p> <p>16 A. Engineer.</p> <p>17 Q. The engineer?</p> <p>18 A. Right.</p> <p>19 Q. He's the one who's really running that, the</p> <p>20 equipment, monitoring it --</p> <p>21 A. Yes. Yes.</p> <p>22 Q. -- and giving directions to the riggers?</p> <p>23 A. Yes.</p> <p>24 Q. All right. Fair enough.</p> <p>25 So we have SSEs, riggers, crane operators.</p>	100	<p>1 A. That will work.</p> <p>2 Q. Okay. All right.</p> <p>3 A. And a manager. Some of our larger bases have</p> <p>4 assistant managers and that type of thing.</p> <p>5 Q. Out of your 12 or 13 -- whatever the number</p> <p>6 is -- shops or districts, which are your bigger ones?</p> <p>7 A. In reference to what? Bigger in what?</p> <p>8 Q. In personnel?</p> <p>9 A. In personnel.</p> <p>10 Q. Yeah. You made me think of that when you</p> <p>11 said some have an assistant manager.</p> <p>12 A. Andrews and Levelland is a large shop.</p> <p>13 Snyder is a large -- a lot of people.</p> <p>14 Q. Yeah.</p> <p>15 A. That's probably the three top employee-wise.</p> <p>16 Q. Am I correct that the 50-or-so people you</p> <p>17 described as sort of administrative or support people</p> <p>18 are distributed maybe four or five per shop, to your</p> <p>19 various shops?</p> <p>20 A. Yeah. At a minimum, it's a secretary and a</p> <p>21 district manager, which is what Devine is. At a</p> <p>22 maximum, you've got -- at a maximum, it can go large.</p> <p>23 Q. Like 15 or 20?</p> <p>24 A. I'd say probably somewhere between five to</p> <p>25 ten. Ten would probably be max.</p>
99	<p>1 We know about the engineer. Right?</p> <p>2 A. Yes.</p> <p>3 Q. Engineer/operator.</p> <p>4 Any other title, typically, of people who are</p> <p>5 going to be assigned to the crews at the well sites?</p> <p>6 A. No.</p> <p>7 Q. Fair enough.</p> <p>8 Now let's talk about the titles of the people</p> <p>9 in the shops.</p> <p>10 A. Okay.</p> <p>11 Q. Okay. Tell me what titles those people</p> <p>12 generally have in your organization.</p> <p>13 A. Starting from bottom --</p> <p>14 Q. Yeah.</p> <p>15 A. -- we have shop hands.</p> <p>16 Q. Okay.</p> <p>17 A. We have gun loaders.</p> <p>18 Q. Yeah.</p> <p>19 A. And if there's enough activity, you'll have a</p> <p>20 shop foreman.</p> <p>21 Q. Okay.</p> <p>22 A. A district secretary or -- there's another</p> <p>23 name.</p> <p>24 Q. Administrative assistant or some damn thing</p> <p>25 like that?</p>	101	<p>1 Q. I'm just going to say -- these are</p> <p>2 approximations -- you've got anywhere from two to ten</p> <p>3 administrative support people at the shops?</p> <p>4 A. Yes. We do have a few people in accounts</p> <p>5 payable, accounts receivable, on the accounting side of</p> <p>6 it.</p> <p>7 Q. Are they all located at Levelland?</p> <p>8 A. No. They're --</p> <p>9 Q. They're spread around?</p> <p>10 A. Yeah, spread around.</p> <p>11 Q. Do you guys do your work for your clients on</p> <p>12 a time-and-material or just on a job?</p> <p>13 A. On a service.</p> <p>14 Q. Service. All right.</p> <p>15 Are you largely the one who does that,</p> <p>16 figures out what the charge is for a service?</p> <p>17 A. I am very involved in what we are making per</p> <p>18 job.</p> <p>19 Q. I would think --</p> <p>20 A. Yes.</p> <p>21 Q. -- because you've got a lot of experience.</p> <p>22 A. Yes.</p> <p>23 Q. Do you have cost overruns, anything like</p> <p>24 that? Can you go back and bill the client for more</p> <p>25 because the job is more complicated than you thought?</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

27 (Pages 102 to 105)

102	<p>1 A. That's a difficult question. That's not</p> <p>2 typically how we charge things.</p> <p>3 Q. You typically try to come up with a firm</p> <p>4 price. Right?</p> <p>5 A. Per service.</p> <p>6 Q. Correct. Per service.</p> <p>7 A. Right.</p> <p>8 Q. And you define your services, obviously, not</p> <p>9 just by showing up at the well site but by particular</p> <p>10 things that you're going to do at the well site?</p> <p>11 A. Showing up at the well site is one of the</p> <p>12 services. So we get a certain amount of money when we</p> <p>13 show up at the well site.</p> <p>14 Q. The show-up charge?</p> <p>15 A. Call it a service charge.</p> <p>16 Q. All right. And then, of course, you've been</p> <p>17 able, over the years, to define how much you're going</p> <p>18 to charge, for example, for -- would it be, for</p> <p>19 example, per charge, per ballistic?</p> <p>20 A. It's traditionally charged -- the way our</p> <p>21 pricing -- it sometimes takes an accountant to figure</p> <p>22 out the price of a job. It can be very complex, or it</p> <p>23 can be very simple. I try, since I've been in</p> <p>24 business, on my section of the business, I keep things</p> <p>25 simple, and so it's more or less charged for every run</p>	104	<p>1 Q. Yeah.</p> <p>2 A. And we are able to stack bunches of different</p> <p>3 tools into a single tool string.</p> <p>4 Q. How long can your tool strings be?</p> <p>5 A. It's more dependent on how -- what weight the</p> <p>6 total length is.</p> <p>7 Q. There is a limit on how much weight you can</p> <p>8 put down the hole?</p> <p>9 A. Suspend off the end of our cable. Our cable</p> <p>10 has weight limits.</p> <p>11 Q. Yeah, because, I mean, certainly, if you're</p> <p>12 going -- Look. If you got a well that's 10,000 feet --</p> <p>13 right?</p> <p>14 A. Yeah. That's a very shallow well.</p> <p>15 Q. Really?</p> <p>16 A. Yeah.</p> <p>17 Q. How deep can -- I shouldn't say "deep." How</p> <p>18 long can the well be?</p> <p>19 A. How deep, is how we usually refer to it.</p> <p>20 Q. Okay.</p> <p>21 A. 30,000, 35,000 feet are the deep -- are the</p> <p>22 maximum, I guess.</p> <p>23 Q. Even though a lot of that might be horizontal</p> <p>24 or fairly horizontal?</p> <p>25 A. Those are mostly vertical.</p>
103	<p>1 in the hole, and sometimes there's charges, such as --</p> <p>2 cranes are charged by the hour. But I try to keep my</p> <p>3 pricing very simple.</p> <p>4 Q. So they know -- so the customer knows, okay,</p> <p>5 if we go to go down this damn hole five times, right --</p> <p>6 A. Yeah.</p> <p>7 Q. -- you're going to get charged every time --</p> <p>8 A. Multiply this times five.</p> <p>9 Q. And the way you described it, I think I</p> <p>10 understand what you mean, because every time you run</p> <p>11 that spool -- Right?</p> <p>12 A. Yeah.</p> <p>13 Q. -- or every time you run a diagnostic tool</p> <p>14 down that well, that's time, material, wear and tear on</p> <p>15 your equipment. Correct?</p> <p>16 A. Correct.</p> <p>17 Q. Okay.</p> <p>18 A. Some of these tools are -- you talked about</p> <p>19 \$500,000 for a truck. Some of these tools are in the</p> <p>20 hundreds of thousands of dollars per tool. You might</p> <p>21 have a \$500,000 tool string that you're putting into</p> <p>22 the hole.</p> <p>23 Q. Yeah. Some of your more sophisticated --</p> <p>24 like the 3-D or the sonic?</p> <p>25 A. Like the pulsed neutron tools.</p>	105	<p>1 Q. Really?</p> <p>2 A. Uh-huh.</p> <p>3 Q. In the Permian more than up here?</p> <p>4 A. The wells that I've worked on that deep,</p> <p>5 there are some out in the Permian and mostly -- the</p> <p>6 ones I've worked on were in Louisiana, south Louisiana.</p> <p>7 Q. Wow! Okay. That is deep. But you're giving</p> <p>8 me a good sense.</p> <p>9 That's, hence, the limit, because essentially</p> <p>10 you have all the gravity, the weight of the cable and</p> <p>11 the tools, right, going all that distance?</p> <p>12 A. Yes.</p> <p>13 Q. Okay.</p> <p>14 A. It gets to a point where you can have so much</p> <p>15 cable in the hole that it won't even hold itself up.</p> <p>16 The cable that you got hanging off into the hole weighs</p> <p>17 as much --</p> <p>18 Q. Yeah, as anything else?</p> <p>19 A. -- as the limits of the cable.</p> <p>20 Q. Limits of the cable, okay, or the limits of</p> <p>21 the spool. Right?</p> <p>22 A. Yeah.</p> <p>23 Q. Okay. So now we're talking about the shops.</p> <p>24 Your estimate is you've got maybe, 50, 60 people -- I'm</p> <p>25 using that figure. I'm just kind of doing some quick</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

28 (Pages 106 to 109)

106	108
<p>1 math. Maybe a total of 50 or 60 support people in 2 these shops, in that range? 3 A. Yeah. That's a guess. 4 Q. And you're running a lean, mean operation, 5 meaning you want as many people as possible or as high 6 a percentage of people as possible at the well sites, 7 where you make money? 8 A. That's how you make money. 9 Q. That's right. Yeah. Okay. 10 Am I correct, of that, let's say, 350, that 11 you cited before as an estimate of the crew, the people 12 who are actually going out on these crews -- is it fair 13 to say that a good two-thirds of them are the riggers, 14 about? 15 A. There is -- we've been talking about the 16 average is a three-man crew. We do have two-, we do 17 have four-man crews, so that can vary from 50 percent 18 to 25 percent. 19 Q. That's fair. 20 A. And there really is a high percentage of 21 two-man crews as well as four-men crews. 22 Q. You average out to three? 23 A. I would say, yes. 24 Q. Certainly, if you've got a four-man crew, you 25 only have one engineer?</p>	<p>1 hourly paid. Typically, in my operations, everybody's 2 been salaried. 3 Q. Okay. Have you changed at all, the shop 4 hands -- the method of paying the shop hands? 5 A. Everybody from rigger down -- 6 Q. That's what you meant? 7 A. -- and they would fit into that category -- 8 have gone -- 9 Q. Have gone hourly? 10 A. Yes. 11 Q. All right. All right. 12 A. They were the easiest ones, because it didn't 13 matter whether they left or not. It matters whether 14 the other guys leave. 15 Q. Yeah. Yeah. 16 Gun loaders, what do they do? I assume, 17 based on the term -- are they the ones that are rigging 18 the charges that are -- 19 A. Assembling the guns. 20 Q. Assembling. Yeah, assembling the guns. 21 A. Yeah. 22 Q. Okay. 23 A. They maintain explosive -- we're a highly 24 regulated industry. We have to have a lot of records 25 on our explosives and that type of thing, and they</p>
107	109
<p>1 A. Yes, typically. 2 Q. If you have a three-man crew, you have one 3 engineer? 4 A. Yes. 5 Q. If you have a two-man crew, you have one 6 engineer? 7 A. Correct. 8 Q. Okay. All right. I mean, I think you 9 answered my question, which is, whether the percentage 10 is 50 percent, 66.667 percent or 75 percent, whatever 11 the size of the crew, you have one engineer, and the 12 rest -- 13 A. Typically, you have one guy in charge, 14 running the unit. 15 Q. Fair enough. All right. 16 I just wanted to finish our discussion about 17 the people at the shops. You said you had shop hands. 18 These are guys that do what? Maintenance on equipment? 19 A. Sweep the floor, run hotshots, help the gun 20 loaders. 21 Q. Do whatever? 22 A. Yeah, just whatever needs to be done. 23 Q. Have you been paying them salary or hourly, 24 shop hands? 25 A. There are some shop hands that have been</p>	<p>1 generally are in charge of recordkeeping also. 2 Q. At least in your districts, all four or just 3 two of the districts, you changed them to hourly? 4 A. Just one. One holds a more of a supervisor 5 role, assistant manager role also, so -- 6 Q. And the gun loaders are the guys actually 7 assembling these -- the guns in the tubes, typically? 8 That's where -- the gun itself is the tube -- 9 A. Yes. 10 Q. -- with the charges in it? 11 A. Yes. 12 Q. All right. Okay. You don't rig these things 13 up, though. I mean, in other words, you don't connect 14 them to the wireline truck, obviously, until you get 15 out to the sites? 16 A. Correct. 17 Q. So what you're carrying is, you're carrying 18 this gun, this tube. It's got the charged rig 19 according to whatever the specifications are? 20 A. Yes. 21 Q. Do the customers tell you what the specs are, 22 or do they expect you guys to know what they are? 23 A. No. They define it. 24 Q. Oh, really? 25 A. Yeah. That's a science in itself.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

29 (Pages 110 to 113)

110	<p>1 Q. The customer's giving you a spec sheet?</p> <p>2 A. Yes.</p> <p>3 Q. What do you call it when the customer --</p> <p>4 A. We get a procedure for the operations that</p> <p>5 are going to go on. And in that procedure, it's</p> <p>6 described on what kind of perforating guns they want to</p> <p>7 use or what other services they'll require.</p> <p>8 Generally, the procedure is, from the whole</p> <p>9 time they work on the well till they move off of it, so</p> <p>10 we get to see what everybody's doing.</p> <p>11 Q. That's fair.</p> <p>12 A. It can be lengthy.</p> <p>13 Q. Shop foreman is the shop foreman. He runs</p> <p>14 the shop?</p> <p>15 A. Yes.</p> <p>16 Q. He's a supervisor?</p> <p>17 A. Generally, he's -- it would be another name</p> <p>18 for an assistant manager. He's generally the second</p> <p>19 man in charge.</p> <p>20 Q. Does he actually fulfill that? Is he doing</p> <p>21 the managing?</p> <p>22 A. Yes.</p> <p>23 Q. Is he telling people what to do?</p> <p>24 A. Yes.</p> <p>25 Q. Scheduling them, hiring them, firing them,</p>	112	<p>1 A. Both.</p> <p>2 Q. State and fed?</p> <p>3 A. Uh-huh.</p> <p>4 Q. You got to go through a test and you got to</p> <p>5 get certified?</p> <p>6 A. It depends. It differs from state to state.</p> <p>7 The states can be very different from state to state.</p> <p>8 Federal's pretty much a background check.</p> <p>9 Q. Okay. What do they give you, a license that</p> <p>10 you're allowed to load a certain charge, a certain</p> <p>11 equivalent in force or power?</p> <p>12 A. No.</p> <p>13 Q. No?</p> <p>14 A. Just able to handle explosives of any kind.</p> <p>15 Once you've got that, you can get anything, from the</p> <p>16 charges that we use to dynamite to -- the same thing</p> <p>17 for fireworks, I'm sure, are in it, the minis.</p> <p>18 Q. And then, you've got an administrative person</p> <p>19 of some kind?</p> <p>20 A. Yes.</p> <p>21 Q. Like a secretary and a scheduler?</p> <p>22 A. Yes. Well, she doesn't do anything with the</p> <p>23 schedules, but --</p> <p>24 Q. So who is it in the shops that's actually</p> <p>25 doing -- is it the manager that's doing the</p>
111	<p>1 doing stuff like that?</p> <p>2 A. The hiring and firing goes to the manager.</p> <p>3 You know, I really don't -- I wouldn't even go in and</p> <p>4 fire somebody unless it was a district manager. I</p> <p>5 leave it to the district managers to manage their</p> <p>6 operations.</p> <p>7 Q. That's fair.</p> <p>8 It sounds to me, from what you've described,</p> <p>9 two to ten -- that you'll have two to ten people you'll</p> <p>10 have at any given shop.</p> <p>11 You've got to have a gun loader. Right?</p> <p>12 A. Not necessarily. A lot of times we will load</p> <p>13 our own guns.</p> <p>14 Q. Out at the site?</p> <p>15 A. At the shop.</p> <p>16 Q. I see what you're saying. The crew guys</p> <p>17 will?</p> <p>18 A. Yeah. I used to go shoot guns all day and</p> <p>19 then spent half the night loading them to go shoot them</p> <p>20 again the next day.</p> <p>21 Q. Do you need any license or anything like</p> <p>22 that?</p> <p>23 A. Yes.</p> <p>24 Q. Thank you.</p> <p>25 Is that a state licensing?</p>	113	<p>1 assignments, like telling -- figuring out who's going</p> <p>2 to be on crews, what jobs they're going to go to?</p> <p>3 A. The managers or the assistant manager.</p> <p>4 Q. Either one?</p> <p>5 A. And sometimes we'll have an engineer in</p> <p>6 charge, where the guy with the most seniority at the</p> <p>7 shop will be doing that work.</p> <p>8 Q. Your administrative person, the scheduler,</p> <p>9 salary?</p> <p>10 A. They went on hours now, so --</p> <p>11 Q. In your two districts?</p> <p>12 A. In four, in four districts.</p> <p>13 Q. You did it -- all your four districts?</p> <p>14 A. Right.</p> <p>15 Q. What about the rest of the company, the other</p> <p>16 eight or nine districts?</p> <p>17 A. They continue on as they've always done.</p> <p>18 Q. Salary?</p> <p>19 A. Yes.</p> <p>20 Q. Which is, everybody's salaried?</p> <p>21 A. Yes. We're using my districts as a pilot</p> <p>22 program to determine what effect this is going to have</p> <p>23 on our people. We could not -- we have lost -- because</p> <p>24 we have lost people, we can't afford to have that</p> <p>25 throughout our operations. And if it's any sign of the</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

30 (Pages 114 to 117)

114	<p>1 people that I've lost, if we can compare that to the</p> <p>2 rest of the company, it would be devastating to do that</p> <p>3 all at one time.</p> <p>4 MR. CHIVERS: Okay. That's fair. Take a</p> <p>5 five-minute break.</p> <p>6 (Recess taken.)</p> <p>7 Q. Go back to this thing, this 30(b)(6) notice,</p> <p>8 Exhibit 2. You pretty much define, I think, where you</p> <p>9 guys do business. The states include Pennsylvania,</p> <p>10 Texas, Oklahoma, New Mexico?</p> <p>11 A. Uh-huh.</p> <p>12 Q. What other states?</p> <p>13 A. Mississippi, Ohio. We're doing -- we did</p> <p>14 some work in Wyoming. We've done some work in</p> <p>15 West Virginia. I think that's it.</p> <p>16 Q. Yeah.</p> <p>17 A. Florida. We've done some work over in</p> <p>18 Florida.</p> <p>19 Q. Oil?</p> <p>20 A. Or gas. I don't know.</p> <p>21 Q. All right. And that means -- that's where</p> <p>22 all the well sites are?</p> <p>23 A. Yes.</p> <p>24 Q. Those are the states in which you have the</p> <p>25 well sites, your locations that you described to me?</p>	116	<p>1 from well site to well site?</p> <p>2 A. They're assigned to my region, so they're</p> <p>3 in -- I have two of them currently. They're both --</p> <p>4 one's in Mansfield; one's in Ruffs Dale. And they also</p> <p>5 provide services down in my two districts in Texas.</p> <p>6 Q. What do you call them, just "safety</p> <p>7 inspectors"?</p> <p>8 A. Safety guys.</p> <p>9 Q. Okay. Safety guys.</p> <p>10 They're salaried?</p> <p>11 A. Yes.</p> <p>12 Q. They remain salaried?</p> <p>13 A. Yes.</p> <p>14 Q. Do they have to have college degrees to be a</p> <p>15 safety guy?</p> <p>16 A. No.</p> <p>17 Q. Do they have to have any particular licenses</p> <p>18 to be a safety guy?</p> <p>19 A. They've acquired them after, but, no, there's</p> <p>20 no qualifications.</p> <p>21 Q. Do they manage two or more employees?</p> <p>22 A. I'm not sure what -- Direct?</p> <p>23 Q. Yeah.</p> <p>24 A. They are -- they have -- safety is number one</p> <p>25 priority, so they have the ability to go in and shut</p>
115	<p>1 A. Everything up to Mississippi.</p> <p>2 Q. Yeah. You have locations, shops, in Texas,</p> <p>3 New Mexico, Mississippi, Pennsylvania. Yeah, you have</p> <p>4 shops in four states. Does that sound right?</p> <p>5 A. New Mexico -- Five. New Mexico, Texas,</p> <p>6 Mississippi, Oklahoma, and Pennsylvania.</p> <p>7 Q. Six?</p> <p>8 A. Six?</p> <p>9 Q. Yeah. That's okay. I just want to make</p> <p>10 sure.</p> <p>11 If you then turn to number 2 -- and by the</p> <p>12 way, before we leave number 1, we went through and</p> <p>13 identified the titles -- and, again, I understand</p> <p>14 these -- it's more a matter of functions than titles --</p> <p>15 on the well site -- or at the well site and then in the</p> <p>16 shop.</p> <p>17 Can you think of any other functions or</p> <p>18 titles of the people that are working for Renegade?</p> <p>19 A. Besides -- above manager level?</p> <p>20 Q. No.</p> <p>21 A. Okay. No.</p> <p>22 Q. Okay.</p> <p>23 A. I do have safety guys.</p> <p>24 Q. Okay. All right. Fine. Are those safety</p> <p>25 guys assigned to shops, or do they pretty much just go</p>	117	<p>1 down a job during an operation and stop work authority,</p> <p>2 so they definitely manage -- everybody, including the</p> <p>3 managers, are responsive to these guys.</p> <p>4 Q. Having said that, they don't hire or fire</p> <p>5 people?</p> <p>6 A. The only people that hire and fire people are</p> <p>7 managers.</p> <p>8 Q. Fair enough.</p> <p>9 A. Now, I say that -- you know, if I were to put</p> <p>10 a second safety guy in, then it would be his</p> <p>11 responsibility to hire that -- if I actually had</p> <p>12 somebody working -- so I do consider him in a</p> <p>13 management level.</p> <p>14 Q. Understood.</p> <p>15 But you'll agree with me that, on a regular</p> <p>16 basis, he's not managing two or more people, managing</p> <p>17 in the sense of scheduling them, giving them</p> <p>18 instructions as to what they're supposed to do?</p> <p>19 A. No. I don't agree with that at all. He is</p> <p>20 in control, especially SSEs. He is determining what</p> <p>21 school they're going to go to, what classes, what time</p> <p>22 frames, so he is managing SSEs on a direct level.</p> <p>23 Q. Fair enough.</p> <p>24 Okay. Number 2 on this list, we've covered a</p> <p>25 lot of that. What I'd like to do is know a little bit</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

31 (Pages 118 to 121)

118	120
<p>1 more about -- we've defined this either two-man, 2 three-man or four-man crew that's at the well sites. 3 Tell me, in the three-man crew, what does a 4 rigger do? 5 A. Whatever the operator requires him to do. 6 Q. That's fair. Be descriptive. What is it? 7 What activities in this person performing? 8 A. He puts gun -- tool strings onto the end of 9 the line. He helps pick up tool strings. He's 10 required to do whatever is on -- needed to be done on 11 the ground. 12 Q. Such as? Because you got to be specific. 13 You know this stuff. I don't. 14 A. Assembling tool strings, rigging up the -- 15 rigging up and rigging down the equipment. 16 Q. From your description of it, if you've got -- 17 would you say 10,000 feet of cable? 18 A. 30,000. 19 Q. 30,000 feet of cable. The point is, if 20 you're actually going downhole the full 30,000 feet, 21 that's got to take some time? 22 A. Yes. And, basically, they prepare for the 23 next service. Whatever the next service is we've got, 24 they get ready, so that when we get out of the ground, 25 you do a quick turnaround. You get other tools</p>	<p>1 number of hours that we were on location. It shows the 2 number of lost time hours that we had during a certain 3 job. It shows the number of operating hours that we 4 had during the job. 5 Q. Defined as what? 6 A. As the time we're actually running the 7 unit -- 8 Q. Thanks. 9 A. -- performing services for the customer. 10 Q. Anything else you can think of? 11 I'm going to show you the form, an example. 12 A. It shows what shifts that they were on. It 13 shows the crews that were on location. It shows the 14 services that we did. It shows the times in and out of 15 the hole for the services that we've done. It is a job 16 diary, is what it is. 17 Q. That's fair. 18 Who gets the job reports? 19 A. Customer can get them. We maintain them. 20 Q. You guys maintain them. Right? 21 A. Right. 22 Q. So if you had to go back and try to figure 23 out what jobs have been performed over the last three 24 years and the circumstances of those jobs, as you 25 described these categories of information, you could go</p>
119	121
<p>1 assembled, put it back into the ground. 2 Q. Yep. 3 A. Once they've prepared, though, they're pretty 4 much at their leisure till the tools get back to the 5 surface. 6 Q. Now, when you send a crew to the well site, 7 there's only one crew. It's not like it's two crews? 8 A. Sometimes it's two crews. 9 Q. Okay. That's what I was wondering. 10 Sometimes two crews, meaning you have 24-hour coverage? 11 A. Correct. 12 Q. Twelve-hour shifts? 13 A. They can vary from 12- to 18-hour shifts. 14 Q. The norm is at least 12 and up to 18 hours? 15 A. I wouldn't know what the norm is. I'd have 16 to go look at the records of what the norm is. 17 Q. What records would reflect how long, 18 typically, the riggers are at the well site? 19 A. We have job reports. 20 Q. I'm going to show you some examples of those 21 job reports, because I couldn't figure them out. You 22 can help me understand what they do. 23 Briefly, describe to me what the job report 24 would show. 25 A. It shows who's on location. It shows the</p>	<p>1 to the job reports? 2 A. I could. And there's other places. 3 Q. Where else could you go other than the job 4 reports? 5 A. Our accounting program keeps up with 6 services. 7 Q. The accounting program, is that a paper -- 8 A. QuickBooks. 9 Q. Thank you. 10 QuickBooks. Right? 11 A. Yes. 12 Q. Who maintains your QuickBooks? 13 A. Accounting. Accountant. 14 Q. Right. 15 A. Sham. Sham Myatt is our accountant. 16 Q. I didn't know that when you said that. 17 S-h-a-m? 18 A. Yes. I think that's how he spells it. 19 Q. H-y-h-e-t? 20 A. M. 21 Q. Myatt, m-y-a-t-t? 22 A. I think that's it. I can look it up. 23 Q. That's all right. 24 Is he down at Levelland? 25 A. Yes, he is.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

32 (Pages 122 to 125)

122	124
<p>1 Q. He's his own -- he's got his own practice?</p> <p>2 A. Correct.</p> <p>3 Q. Okay. What information, though, does he get</p> <p>4 that allows him to maintain the QuickBooks? Does he</p> <p>5 get the job reports?</p> <p>6 A. We enter the information.</p> <p>7 Q. Thank you.</p> <p>8 Okay. So your administrative people enter</p> <p>9 the information?</p> <p>10 A. Correct. We have people that do the data</p> <p>11 entry.</p> <p>12 Q. And they do the data entry from the job</p> <p>13 reports?</p> <p>14 A. Or -- and from the tickets. There's a few</p> <p>15 forms that we use to have that entered.</p> <p>16 Q. I've got some tickets, too.</p> <p>17 A. Uh-huh.</p> <p>18 Q. I'll show you that. And you can just say,</p> <p>19 okay, those are the tickets.</p> <p>20 A. Okay.</p> <p>21 Q. Needless to say, you know you're in a lawsuit</p> <p>22 having to do with hours and hours worked. Okay?</p> <p>23 A. Right.</p> <p>24 Q. Yeah. So what we have to try to do, we have</p> <p>25 to be able to go back and figure out, to the best of</p>	<p>1 will be a DOT driver at some point is required to fill</p> <p>2 out driver's logs.</p> <p>3 Q. Fair enough.</p> <p>4 I think, what you've described to me is that,</p> <p>5 if you've got the driver's logs, the job reports, and</p> <p>6 tickets, you would be able to, with some pretty high</p> <p>7 degree of certainty, identify the hours that have been</p> <p>8 recorded?</p> <p>9 A. Absolutely.</p> <p>10 Q. Okay. All right. And does admin see all of</p> <p>11 these? They see the job reports? They see the</p> <p>12 tickets? They see the driver's logs?</p> <p>13 A. They probably don't see the job reports.</p> <p>14 That's -- admin at the district level sees it. It</p> <p>15 doesn't go any higher than that, the job reports.</p> <p>16 Q. But admin takes those job reports and puts it</p> <p>17 into QuickBooks?</p> <p>18 A. No. No. Most of the information that's</p> <p>19 entered into QuickBooks comes off the service ticket.</p> <p>20 Q. The tickets?</p> <p>21 A. Correct.</p> <p>22 Q. Gotcha.</p> <p>23 A. The field ticket is what it's actually</p> <p>24 called.</p> <p>25 Q. Now, you described the job report to me.</p>
123	125
<p>1 our ability, and also determine how you, to the best of</p> <p>2 your ability, can determine how many hours people</p> <p>3 worked.</p> <p>4 A. Okay.</p> <p>5 Q. All right. And if I were -- I'm going to ask</p> <p>6 you the question: What's the most accurate way to</p> <p>7 calculate -- to determine how many hours, let's say,</p> <p>8 the riggers worked? Job reports?</p> <p>9 A. We probably -- no. Probably the driver's</p> <p>10 logs.</p> <p>11 Q. Okay. Now, is every one of your</p> <p>12 riggers required to fill out a driver's log?</p> <p>13 A. Yes.</p> <p>14 Q. Are any of your shop people required to fill</p> <p>15 out driver's logs?</p> <p>16 A. All DOT drivers are required to fill out</p> <p>17 driver's logs.</p> <p>18 Q. Whether they're driving or not?</p> <p>19 A. Correct.</p> <p>20 Q. Okay. So even a guy in the shop, if he's got</p> <p>21 a CDL, even if he's not driving, you still have him</p> <p>22 fill out a driver's log?</p> <p>23 A. Right now, everybody is required -- that is</p> <p>24 on hours is required to fill out a driver's log. And</p> <p>25 in the past, everybody that goes to the field or that</p>	<p>1 Describe the field ticket to me.</p> <p>2 A. It's just a ticket that we fill out that</p> <p>3 keeps up on -- as far as time goes, it keeps up with</p> <p>4 when we arrived at location, when we left, so a running</p> <p>5 total on hours. And it is a breakdown of pricing and</p> <p>6 services so that we know how to bill our customer.</p> <p>7 Q. That's good.</p> <p>8 What, if anything, records travel time, for</p> <p>9 example?</p> <p>10 A. Driving logs.</p> <p>11 Q. Okay. So you could certainly take these</p> <p>12 field tickets to determine when the crew arrives, when</p> <p>13 it leaves. You take the job reports to identify who's</p> <p>14 on location, the hours on location. And then --</p> <p>15 A. The field tickets also describe who's on</p> <p>16 location.</p> <p>17 Q. They do?</p> <p>18 A. Yes.</p> <p>19 Q. Okay.</p> <p>20 A. What equipment is on location, equipment</p> <p>21 numbers and whatnot.</p> <p>22 Q. If you took that information together with</p> <p>23 the driver's logs -- the driver's logs would identify</p> <p>24 travel time?</p> <p>25 A. Yes.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

33 (Pages 126 to 129)

126	<p>1 Q. Okay. So if you had all three of those</p> <p>2 documents, job reports, service tickets, driver's logs,</p> <p>3 you would be able to determine with a high degree of</p> <p>4 certainty how many hours your crews are working?</p> <p>5 A. Yes.</p> <p>6 Q. All right. Similarly, with the shop people,</p> <p>7 as you indicated, they're all required to fill out the</p> <p>8 DOT logs?</p> <p>9 A. Yes. The hourly people would fill out an --</p> <p>10 there have been some cases where they've filled out</p> <p>11 just a time card-type thing.</p> <p>12 Q. What about the salaried people in the shops?</p> <p>13 A. They should be filling out driver's logs.</p> <p>14 Q. All right. Gotcha.</p> <p>15 Now, am I correct that the riggers then can</p> <p>16 also be called upon at any time to drive one of the</p> <p>17 small vehicles?</p> <p>18 A. Yes.</p> <p>19 Q. All right. And, in fact, they are regularly</p> <p>20 called upon to drive the small vehicles?</p> <p>21 A. Low man on the totem pole gets the call at</p> <p>22 2:00 o'clock in the morning to run a hotshot, yes.</p> <p>23 Q. There you go.</p> <p>24 The people in the shop, I would assume, can</p> <p>25 also be called upon to drive the small vehicles?</p>	128
127	<p>1 A. Yes.</p> <p>2 Q. And the people in the shop, in fact, are</p> <p>3 called upon to drive the small vehicles?</p> <p>4 A. Everybody from my position down is required</p> <p>5 to run a hotshot if needed or to do whatever is needed,</p> <p>6 so we're all multitasking people.</p> <p>7 Q. Anything else you can think of that the</p> <p>8 riggers do? I'm talking about on a regular basis.</p> <p>9 A. They clean equipment.</p> <p>10 Q. Okay. Very good.</p> <p>11 Am I correct, the F-250 -- by the way, I have</p> <p>12 a list for you as well, but -- at least the inventory</p> <p>13 that we got of the small vehicles.</p> <p>14 Do your people maintain those small vehicles?</p> <p>15 For example, do they do a pretrip, anything like a</p> <p>16 pretrip on those small vehicles?</p> <p>17 A. They're supposed to, yes.</p> <p>18 Q. All right. Do they make a record of that</p> <p>19 pretrip?</p> <p>20 A. Yes. That's required by DOT.</p> <p>21 Q. Okay. And a record is maintained of those</p> <p>22 reports?</p> <p>23 A. Yes.</p> <p>24 Q. You guys have those reports?</p> <p>25 A. Yes. To the extent that we have them -- will</p>	129

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

34 (Pages 130 to 133)

130	<p>1 A. I wouldn't know, because there's very high</p> <p>2 percentages of everyone, so -- there's even times when</p> <p>3 we have five-man crews, so I really do not know that</p> <p>4 answer.</p> <p>5 Q. Am I correct that a two-man crew is not rare?</p> <p>6 It happens?</p> <p>7 A. Yes.</p> <p>8 Q. Okay. Take a look at 4. We're done with 3.</p> <p>9 Okay. We already had that discussion about that.</p> <p>10 Method of pay. Am I correct that, by</p> <p>11 whatever the title -- take a look. You see these</p> <p>12 titles that are listed here.</p> <p>13 We already talked about short-service</p> <p>14 employee. Right?</p> <p>15 A. Okay.</p> <p>16 Q. Is there such a thing as a junior operator?</p> <p>17 A. Yes.</p> <p>18 Q. Who is that? Is that part of the crew?</p> <p>19 A. Yes. He's an operator.</p> <p>20 Q. Thank you.</p> <p>21 Okay. He's the guy -- even if he's called</p> <p>22 junior, he's still an operator?</p> <p>23 A. When you progress from -- the next</p> <p>24 progression from short-service employee would be junior</p> <p>25 operator.</p>	132	<p>1 Q. And that's the standard three-man crew, and</p> <p>2 sometimes you have only a two-man crew with an engineer</p> <p>3 and one rigger.</p> <p>4 A. Yes. And four --</p> <p>5 Q. Sometimes four?</p> <p>6 A. And sometimes five.</p> <p>7 Q. And sometimes five?</p> <p>8 A. Yeah.</p> <p>9 Q. Sure. All right. Now, let's talk about the</p> <p>10 method of pay. There is a -- up until very recently --</p> <p>11 I think you said a month ago -- as far as you're aware,</p> <p>12 all the crew members with these various titles,</p> <p>13 whatever title might apply, but certainly everybody on</p> <p>14 the crew who was out at the crew sites was paid a</p> <p>15 salary?</p> <p>16 A. Correct.</p> <p>17 Q. And then, if you're at the well site, you get</p> <p>18 a bonus?</p> <p>19 A. Correct.</p> <p>20 Q. Is there any particular length of time in a</p> <p>21 given day -- is it a daily bonus?</p> <p>22 A. It's a service bonus, a percentage of the job</p> <p>23 ticket, of the revenue ticket.</p> <p>24 Q. Okay. And the revenue ticket being what, how</p> <p>25 many lines -- how many charges are run that day? How</p>
131	<p>1 Q. Is that a rigger?</p> <p>2 A. Yes, rigger, operator. And he's usually a</p> <p>3 guy with a very limited experience level.</p> <p>4 Q. That's fair. I just want to make sure, when</p> <p>5 we use that term "operator" --</p> <p>6 A. It's going to be confusing.</p> <p>7 Q. So it's fair to say, though, the guy that you</p> <p>8 call the engineer, he's the guy that's in charge?</p> <p>9 A. Yes.</p> <p>10 Q. Okay. So I think I understand now what a</p> <p>11 wireline operator is. It's the next progression.</p> <p>12 You're out there. You're a rigger.</p> <p>13 A. You go to West Texas, and they're going to</p> <p>14 call the engineer an operator, so it's a very -- it's</p> <p>15 very confusing. We have different terms. We don't</p> <p>16 have a standard term, I guess. But the standard I</p> <p>17 would use is supervisor, and then you have guys that</p> <p>18 are working for him.</p> <p>19 Q. We've been developing this kind of standard</p> <p>20 language in this deposition, which you have said you</p> <p>21 have this supervisor that is the engineer/operator?</p> <p>22 A. Yes.</p> <p>23 Q. Then you have the two riggers or hands, who</p> <p>24 report to him?</p> <p>25 A. Yes.</p>	133	<p>1 do you determine that?</p> <p>2 A. Services. We get paid by services.</p> <p>3 Q. All right. Give me an example. Suppose you</p> <p>4 charge the client \$1,000 a day at the well site.</p> <p>5 A. Okay.</p> <p>6 Q. Just suppose. And you've got three guys, a</p> <p>7 three-man crew. Right?</p> <p>8 A. Okay.</p> <p>9 Q. Tell me how the bonus works.</p> <p>10 A. The operators get 2 percent of that \$1,000,</p> <p>11 and the engineer gets 4.</p> <p>12 Q. The operator/riggers?</p> <p>13 A. Uh-huh.</p> <p>14 Q. "Yes"?</p> <p>15 A. Yes.</p> <p>16 Q. They get 2 percent?</p> <p>17 A. Correct.</p> <p>18 Q. And the engineer gets 4 percent?</p> <p>19 A. Yes.</p> <p>20 Q. Correct?</p> <p>21 A. And an SSE would typically get half a</p> <p>22 percent.</p> <p>23 Q. Typically?</p> <p>24 A. Yes.</p> <p>25 Q. And we could look at the records and figure</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

35 (Pages 134 to 137)

134

1 that out? How would you figure that out from the
 2 records, whether the SSE is getting a half percent or
 3 the 2 percent?
 4 A. We keep records on what bonuses we pay, and
 5 it references the ticket, so you could go back and look
 6 and determine that.
 7 Q. So you go from the pay record to the ticket?
 8 A. Yes.
 9 Q. And that would allow you to determine the
 10 percentage bonus that somebody got?
 11 A. Yeah. I mean, you could probably get it
 12 right off the pay record, because that percentage is
 13 usually recorded right on the payroll.
 14 Q. Is it recorded as a percentage or a dollar
 15 amount?
 16 A. Yes, it's recorded as a percentage.
 17 Q. It will say, bonus, 2 percent. Right?
 18 A. Right.
 19 Q. Okay.
 20 A. It will say, this job, you got paid 2 percent
 21 for.
 22 Q. So if you're out there for a day, might you
 23 get multiple bonuses in one day?
 24 A. No.
 25 Q. So it's really based on a day. It's based on

135

1 a day's services --
 2 A. It's based on a field ticket. You might be
 3 out there a month, and you get your bonus at the end of
 4 that job. So it's based per job.
 5 MR. ANTKOWIAK: If I could just interject
 6 possibly to clarify, maybe, some confusion here,
 7 the company did provide a typical calculation in
 8 the supplement responses.
 9 MR. CHIVERS: I know. That's fine.
 10 MR. ANTKOWIAK: Okay.
 11 MR. CHIVERS: I'm going to go through it.
 12 MR. ANTKOWIAK: Okay.
 13 MR. CHIVERS: But it helps me when I have
 14 somebody describe it. It does.
 15 Q. Okay. All right. So the way -- up until
 16 very recently, the way you would pay all of the crews
 17 would be salary plus this service bonus -- you call it
 18 a service bonus?
 19 A. Call it a bonus.
 20 Q. Bonus. But you paid no overtime. In other
 21 words, you didn't actually calculate anybody's rate of
 22 pay and take it by time and a half or any such formula
 23 to give them so-called overtime?
 24 A. No.
 25 Q. All right. Let me ask you this. I mean, you

136

1 know what's going on here. You do, generally. Did you
 2 or anybody else in the organization ever give -- give
 3 that consideration, as to whether people should or
 4 should not be paid so-called overtime, a premium rate
 5 for their extra hours over 40?
 6 A. We really considered our salary as hourly
 7 rates. We really considered it as -- we based our
 8 salary on a 60-hour workweek. So in calculating what
 9 our salaries were going to be, we back-calculated what
 10 we thought an hourly rate would fall out onto a 60-hour
 11 week. So we considered our salaries as all -- as being
 12 paid for all hours worked.
 13 Q. Okay. Did you have any kind of an agreement
 14 with your employees, for example, a written agreement,
 15 where that was described to the employees?
 16 A. Probably not.
 17 Q. When you were paying the bonuses, did you
 18 ever give consideration to going in and calculating the
 19 effect that those bonuses had on the hourly rate that
 20 you were paying people?
 21 A. No.
 22 Q. Did you ever have any discussions about the
 23 terms "exempt" or "nonexempt"?
 24 A. No.
 25 Q. All right. Fair enough.

137

1 Is it fair to say you're kind of the founder
 2 of this company?
 3 A. Yes.
 4 Q. All right. And as the founder of the
 5 company, am I correct that you didn't sit down with any
 6 lawyers or any advisers to go through the difference
 7 between exempt and nonexempt?
 8 A. No, I did not.
 9 Q. Okay.
 10 A. I based my model on what's been done in my
 11 industry for 60 years.
 12 Q. That's fair. Yeah.
 13 I'd asked you one of the questions here a
 14 little bit later -- I'll just ask it to you now. Did
 15 you ever give any consideration to this law called
 16 SAFETEA-LU, S-A-F-E-T-E-A dash LU, Technical
 17 Corrections Act?
 18 A. I'm not sure what you're talking about, so
 19 no.
 20 Q. Thank you.
 21 So, no. I know. I've got to do this for the
 22 sake of the record.
 23 I assume that whole idea, that whole notion
 24 of that SAFETEA-LU TCA -- it stands for Technical
 25 Corrections Act -- that's something that's only become

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

36 (Pages 138 to 141)

138	140
<p>1 an issue once the lawsuit was started?</p> <p>2 A. I'm not even sure what it means now, so --</p> <p>3 Q. Fair enough.</p> <p>4 You're aware -- did you read or have you read</p> <p>5 Exhibit 1, the objections?</p> <p>6 A. Yes, I've looked through them.</p> <p>7 Q. You understand that your company is taking</p> <p>8 the position, based upon Exhibit 1, that plaintiff in</p> <p>9 this case, Mr. Tvrdovsky, was nonexempt? Do you</p> <p>10 understand that?</p> <p>11 A. Yes.</p> <p>12 Q. All right. You understand that the company</p> <p>13 is taking the position that no individualized</p> <p>14 assessment was made of the other employees to determine</p> <p>15 whether they're exempt or nonexempt?</p> <p>16 MR. ANTKOWIAK: Can you refer to the part of</p> <p>17 the objection where you're characterizing it, so</p> <p>18 we can --</p> <p>19 MR. CHIVERS: Yeah. I'll make sure I</p> <p>20 characterize it fairly.</p> <p>21 Q. Take a look at Exhibit 1, which is here.</p> <p>22 Take a look at number 6, topic 6. Read that to</p> <p>23 yourself, topic 6.</p> <p>24 I think you have the wrong --</p> <p>25 MR. ANTKOWIAK: Take a look right there.</p>	<p>1 asserting that he was exempt.</p> <p>2 I think your question to Mr. Cassady was a</p> <p>3 little bit different. If I understand you</p> <p>4 correctly, you're stating this as if to say that</p> <p>5 the plaintiff is, in fact, nonexempt.</p> <p>6 We're simply stating the company does not</p> <p>7 assert plaintiff was exempt in this action. So I</p> <p>8 think there is a distinction there I just want to</p> <p>9 make for the record.</p> <p>10 MR. CHIVERS: Understood.</p> <p>11 MR. ANTKOWIAK: Okay.</p> <p>12 Q. Okay. All right. Take a look, sir, if you</p> <p>13 would, at item 7 on the 30(b)(6). Am I correct, sir,</p> <p>14 that your company did not require the salaried</p> <p>15 employees that we've been talking about, that is,</p> <p>16 the -- we'll just call it the level of rigger and</p> <p>17 below. Correct?</p> <p>18 A. Okay.</p> <p>19 Q. That's the term -- that's the way you've</p> <p>20 described them.</p> <p>21 You did not require anybody from the rigger</p> <p>22 level or below to record individually on so-called time</p> <p>23 sheets?</p> <p>24 A. Correct.</p> <p>25 Q. Okay. Am I correct, sir, that nobody in your</p>
139	141
<p>1 THE WITNESS: Okay.</p> <p>2 Q. I already asked the question. You indicated,</p> <p>3 yes, you're aware that your company is taking the</p> <p>4 position that Mr. Tvrdovsky was not exempt; that is,</p> <p>5 he's nonexempt.</p> <p>6 In this language having to do with putative</p> <p>7 class members -- I have a question for you rather than</p> <p>8 trying to rephrase any of this. Did you or anybody in</p> <p>9 your company ever do a case-by-case analysis of your</p> <p>10 employees who were being paid a salary to determine</p> <p>11 whether they were or were not exempt from the overtime</p> <p>12 compensation under the Fair Labor Standards Act?</p> <p>13 A. No. We didn't -- we didn't consider anybody</p> <p>14 nonexempt.</p> <p>15 Q. But the question I asked is: Did anybody do</p> <p>16 any kind of an analysis?</p> <p>17 A. No.</p> <p>18 MR. ANTKOWIAK: Just to be clear, I mean,</p> <p>19 this paragraph, I think, speaks for itself. What</p> <p>20 it says, I think, with respect to Mr. Tvrdovsky,</p> <p>21 is that Renegade does not assert the plaintiff was</p> <p>22 exempt from overtime compensation, the FLSA or</p> <p>23 Pennsylvania Minimum Wage Act. And I think,</p> <p>24 between lawyers, we can argue the significance of</p> <p>25 that. What we're saying here is that we're not</p>	<p>1 organization, over the years, has ever instructed the</p> <p>2 employees at rigger level and below as to what is</p> <p>3 compensable time; that is, time that is supposed to be</p> <p>4 paid for, and time that is not?</p> <p>5 A. Correct.</p> <p>6 Q. All right.</p> <p>7 A. We consider the salary to be to pay for all</p> <p>8 the hours worked.</p> <p>9 Q. Understood.</p> <p>10 You said a moment ago that your expectation</p> <p>11 was that people would work at least 60 hours a week?</p> <p>12 A. No. What I said was, we based our salary on</p> <p>13 a 60-hour week, and it was not very -- it was not</p> <p>14 uncommon that the hours may be actually ten or 20 or</p> <p>15 over, at 70 or 80 hours. So 60 has been the --</p> <p>16 throughout my industry, throughout the years, 60 has</p> <p>17 been a number that has come up as the average hours</p> <p>18 worked during a year, is 60 hours a week.</p> <p>19 Q. All right. Sir, if you take a look at</p> <p>20 item 10, topic 10 on the 30(b)(6), am I correct, sir,</p> <p>21 that your expectation is also that any member of the</p> <p>22 crew or, for that matter, any member of your workforce,</p> <p>23 including people at the shops, can be called upon to</p> <p>24 load the small vehicles with parts and goods --</p> <p>25 A. Yes.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

37 (Pages 142 to 145)

142	<p>1 Q. -- for delivery to the well sites?</p> <p>2 A. Yes.</p> <p>3 Q. And those goods, I assume they come from</p> <p>4 wherever you can get them. You can get them within the</p> <p>5 state. You can get them from outside the state. You</p> <p>6 don't care where they come from, just so long as</p> <p>7 they're there?</p> <p>8 A. Correct.</p> <p>9 Q. Am I correct, sir -- taking a look at</p> <p>10 number 11, based upon your answers to the other</p> <p>11 questions, neither you nor anyone else in your</p> <p>12 organization ever made any kind of a determination, sat</p> <p>13 down and actually determined whether the safe operation</p> <p>14 of a small vehicle has any effect on an exemption?</p> <p>15 A. I'm not sure what you mean.</p> <p>16 Q. Yeah. You already indicated you never had</p> <p>17 even heard of the SAFETEA-LU. Even to this day you're</p> <p>18 not even sure what the heck it is.</p> <p>19 A. Right.</p> <p>20 Q. You also indicated, nobody sat down, in your</p> <p>21 organization, at any point over the past five years and</p> <p>22 did any kind of individualized analysis of whether your</p> <p>23 employees were or were not exempt from overtime?</p> <p>24 A. We never considered anybody exempt.</p> <p>25 Q. Fair enough.</p>	144	<p>1 driving. There's about four categories that they're</p> <p>2 required to document.</p> <p>3 Q. I'll show you some examples here in a few</p> <p>4 minutes because I'm going to tell you, having looked at</p> <p>5 these logs not only in this case but in other cases,</p> <p>6 I've never seen anybody identify a small vehicle like</p> <p>7 an F-250. Maybe your people were. You'll have to show</p> <p>8 me that.</p> <p>9 A. It's part of the driving log, on what vehicle</p> <p>10 you're driving.</p> <p>11 Q. Okay. Very good.</p> <p>12 Has Renegade ever been investigated by the</p> <p>13 Department of Labor, to your knowledge, either federal</p> <p>14 or state, relative to the method of payment of your</p> <p>15 employees?</p> <p>16 A. We had an inquiry from West Virginia a month</p> <p>17 or so ago or within the last month, on what we were</p> <p>18 paying our people. And they needed I-9s also. And we</p> <p>19 supplied that, and it's been closed as far as I know.</p> <p>20 Q. So as far as you know, though, nobody came</p> <p>21 out from West Virginia to examine how you've classified</p> <p>22 people as exempt or nonexempt?</p> <p>23 A. No. Correct.</p> <p>24 Q. All right. To your knowledge, neither has</p> <p>25 the Department of Labor ever done that over the past</p>
143	<p>1 Wait. You never considered anybody exempt</p> <p>2 from overtime, or you never considered anybody entitled</p> <p>3 to overtime?</p> <p>4 A. Exempt from it. We figure we're paying the</p> <p>5 overtime within our salary structure.</p> <p>6 Q. That's what you're figuring?</p> <p>7 A. Right. With our salary and our bonus, we</p> <p>8 consider that to compensate for the overtime.</p> <p>9 Q. Regardless of the hours worked?</p> <p>10 A. The more hours worked the more bonus you get,</p> <p>11 so the bonus is tied to however many hours.</p> <p>12 Q. Fair enough. Okay.</p> <p>13 A. The bonus has a direct relationship to the</p> <p>14 hours worked.</p> <p>15 Q. That's fair. All right.</p> <p>16 Do you require your employees to fill out any</p> <p>17 kind of a -- or indicate in any way, on paper, when</p> <p>18 they make trips in the small vehicles?</p> <p>19 A. They're required through their driver's logs.</p> <p>20 Q. You're thinking -- you're saying here, today,</p> <p>21 if you look at the driver's logs, it will indicate the</p> <p>22 use of an F-250?</p> <p>23 A. It should. Yes, it should document all the</p> <p>24 time that they're off, all the time that they're</p> <p>25 driving, all the time that they're on duty, not</p>	145	<p>1 five years?</p> <p>2 A. No.</p> <p>3 MR. CHIVERS: Okay. Let's take a break.</p> <p>4 I've got some documents. I'm going to go get the</p> <p>5 documents, and then we'll go from there.</p> <p>6 (Recess taken.)</p> <p>7 (Whereupon, Deposition Exhibit 5 was marked</p> <p>8 for identification.)</p> <p>9 (Whereupon, Deposition Exhibit 6 was marked</p> <p>10 for identification.)</p> <p>11 (Whereupon, Deposition Exhibit 7 was marked</p> <p>12 for identification.)</p> <p>13 (Whereupon, Deposition Exhibit 8 was marked</p> <p>14 for identification.)</p> <p>15 (Whereupon, Deposition Exhibit 9 was marked</p> <p>16 for identification.)</p> <p>17 (Whereupon, Deposition Exhibit 10 was marked</p> <p>18 for identification.)</p> <p>19 (Whereupon, Deposition Exhibit 11 was marked</p> <p>20 for identification.)</p> <p>21 (Whereupon, Deposition Exhibit 12 was marked</p> <p>22 for identification.)</p> <p>23 (Whereupon, Deposition Exhibit 13 was marked</p> <p>24 for identification.)</p> <p>25</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

38 (Pages 146 to 149)

146	148
<p>1 BY MR. CHIVERS:</p> <p>2 Q. Sir, I've put a number of documents in front</p> <p>3 of you. Actually, I'm going to jump around a little</p> <p>4 bit on these. I'm not just going to stick with one --</p> <p>5 I'm not going to stick with the order.</p> <p>6 You have through 12?</p> <p>7 Actually, take a look at Exhibit 10 first.</p> <p>8 Sir, if you'd take a look at Exhibit 10, this is what</p> <p>9 was in response to interrogatory number 12, which was</p> <p>10 Exhibit 3.</p> <p>11 Actually, let's stick with Exhibit 4.</p> <p>12 MR. CHIVERS: And this, Christian, is for</p> <p>13 you, as much as anything.</p> <p>14 BY MR. CHIVERS:</p> <p>15 Q. In Exhibit 4, which is the defendant's</p> <p>16 supplemental response to plaintiff's interrogatories,</p> <p>17 number 12 asks for an identification of each and every</p> <p>18 CDL held by plaintiff, the other putative class members</p> <p>19 in Pennsylvania, and the other putative class members</p> <p>20 in states other than Pennsylvania where defendant</p> <p>21 Renegade does business.</p> <p>22 In response to that, this was given to us,</p> <p>23 Exhibit 10. Do you see that, sir?</p> <p>24 A. Yes.</p> <p>25 Q. Am I correct, sir, that this identifies all</p>	<p>1 Q. Am I correct, sir, that it's your company</p> <p>2 policy that, if you don't have a CDL, you're not</p> <p>3 permitted to drive a commercial vehicle?</p> <p>4 A. Correct.</p> <p>5 Q. All right. And certainly, if you don't have</p> <p>6 not only a CDL but you don't have a hazmat endorsement,</p> <p>7 you won't permit them to drive any vehicle, commercial</p> <p>8 or noncommercial vehicle, that has hazardous materials?</p> <p>9 A. Correct.</p> <p>10 (Discussion off the record.)</p> <p>11 Q. Take a look at Exhibit 10. I see. Yeah, I</p> <p>12 see what you're saying.</p> <p>13 Take a look at Allen. He's actually a pretty</p> <p>14 good example of what I wanted to ask you about. Am I</p> <p>15 correct, sir, that Mr. Allen's date of hire was</p> <p>16 January 13 of 2012?</p> <p>17 A. Yes, that's what it indicates.</p> <p>18 Q. Is there any reason to question this?</p> <p>19 A. No.</p> <p>20 Q. And that his CDL wasn't issued until</p> <p>21 February 1 of 2013?</p> <p>22 A. Okay.</p> <p>23 Q. Do you agree with that?</p> <p>24 A. That's what the form says, yes.</p> <p>25 Q. Not to be too fussy about it, but it's not</p>
147	149
<p>1 of the employees during the class period, which is</p> <p>2 defined as since -- actually, October 1, 2010 through</p> <p>3 the present.</p> <p>4 My understanding -- you correct me if I'm</p> <p>5 wrong -- is that this list identifies all of your</p> <p>6 employees who have had CDLs during that time period?</p> <p>7 A. To the best of my knowledge, yes.</p> <p>8 Q. Where does Renegade maintain the records that</p> <p>9 would allow them to put together this list?</p> <p>10 A. In Levelland.</p> <p>11 Q. Okay. You'll agree with me, sir, that</p> <p>12 certainly doesn't represent all of the employees that</p> <p>13 Renegade has had performing wireline services since</p> <p>14 October of 2010?</p> <p>15 A. Correct.</p> <p>16 Q. All right. I went through and did a quick</p> <p>17 count. I don't know. It's a little over 200.</p> <p>18 Am I correct, sir, that some of these people</p> <p>19 would no longer be employed by Renegade?</p> <p>20 A. Yes, I would assume that. We've had some</p> <p>21 people leave, yes.</p> <p>22 Q. And you had indicated before, that not all of</p> <p>23 the employees -- for example, not all the crew members</p> <p>24 that are out there at the well sites have CDLs?</p> <p>25 A. Correct.</p>	<p>1 only the form. Do you have any reason to question the</p> <p>2 accuracy of this form?</p> <p>3 A. No.</p> <p>4 Q. Am I correct, sir, then, that if you take a</p> <p>5 look -- as an example, William Allen, that even though,</p> <p>6 eventually, he got a CDL, for the first almost year</p> <p>7 that he was employed he didn't have a CDL?</p> <p>8 A. Correct.</p> <p>9 Q. So based on what you've said, am I correct</p> <p>10 that during that first almost year he would never have</p> <p>11 driven a commercial vehicle?</p> <p>12 A. Correct.</p> <p>13 Q. Nor could he have been called upon to drive a</p> <p>14 commercial vehicle because he didn't have a CDL; did</p> <p>15 he?</p> <p>16 A. Right.</p> <p>17 Q. Do you know the difference between an A</p> <p>18 CDL -- a CDL A and a CDL B?</p> <p>19 A. Yes.</p> <p>20 Q. What is the difference?</p> <p>21 A. The type of truck that you're allowed to</p> <p>22 drive.</p> <p>23 Q. What are you allowed to drive if you have a</p> <p>24 CDL B?</p> <p>25 By the way, I should really ask: Which is</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

39 (Pages 150 to 153)

150

1 more restrictive, an A or a B?

2 A. The A -- the B.

3 Q. The B. I would have guessed that simply

4 because, if he just got his CDL, I would assume he got

5 the entry-level CDL first.

6 A. No. From this point on, they're all

7 receiving As, so it's just -- we didn't require them to

8 have an A, but now we do.

9 Q. Now you do?

10 A. Yes.

11 Q. Fair enough.

12 What was the CDL B, when it was still being

13 issued, if you know?

14 A. I don't know the exact, but it has something

15 to do with the weight of the truck that they can

16 haul -- that they can drive. A class B will not let

17 you haul a trailer, a truck and trailer, and the

18 class A will. And we're going to all class A now.

19 Q. I assume, sir, the primary function of, let's

20 say -- whether you call him a junior wireline operator

21 or a rigger, the primary function is to go to the well

22 site and perform rigging operations?

23 A. Yes.

24 Q. Do you know what a CDL C is?

25 A. CDL C, it's a lower classification of CDL. I

151

1 do not know the different classes.

2 Q. That's fine. Sir, I think, based on your

3 statement, though, before, it's fair to say that you

4 and your company insisted that drivers abide by

5 whatever the relevant DOT restrictions were?

6 A. Correct.

7 Q. All right. If you take a look at

8 Exhibit 11 -- You might think that the name of this is

9 redacted.

10 A. Yeah. It looks like.

11 Q. But it's not. I know.

12 Look. What I see here are -- you see this

13 list. What we were told was that this is an employee

14 roster or list of your employees redacted so that the

15 only people showing up here really are the junior

16 operators.

17 Do you see that?

18 A. Okay. All right.

19 Q. I mean, that's what I've been told. I don't

20 see anybody other than the junior operators on here.

21 Do you?

22 A. No.

23 Q. And it also doesn't appear -- take a look at

24 the third page. In the lower right-hand corner, it

25 says "4351."

152

1 A. Okay.

2 Q. And do you see Curtis Tvrdovsky's name there?

3 A. Yes.

4 Q. What is he identified as?

5 A. Junior operator.

6 Q. That's 11.

7 Take a look at Exhibit -- I don't want to do

8 it completely in reverse. Take a look at Exhibit 5, if

9 you would.

10 A. Okay.

11 MR. CHIVERS: What I did, just so you know --

12 and Christian, so you know -- you guys produced

13 this disc with about a quadrillion pages. Okay.

14 Q. And I'm just taking things as representative.

15 All right?

16 A. Okay.

17 Q. I understand -- you tell me: What do these

18 pages -- from 00001 to 00010, what are these?

19 A. These are field tickets.

20 Q. Okay. We talked about field tickets before.

21 Right?

22 A. Correct.

23 Q. Walk me through here. I see the customer

24 name is identified?

25 A. Correct.

153

1 Q. In the upper right-hand corner, it says,

2 "1/21/11." Do you see that?

3 A. Yes. The date.

4 Q. It says, "truck."

5 A. Correct.

6 Q. Can you decipher that?

7 A. Hoist unit 2, HU 002.

8 Q. What's a hoist unit?

9 A. Our service units, our wireline units.

10 Q. The wireline truck?

11 A. Correct.

12 Q. But you call them a "hoist unit"?

13 A. It's called the wireline truck.

14 Q. That's what I thought.

15 A. The number is HU 002, of the wireline truck.

16 Q. I gotcha.

17 But that's one of your wireline trucks.

18 Correct?

19 A. Correct.

20 Q. All right. Good.

21 So on that day, January 21 of 2011, that

22 would indicate that that wireline truck with that crew,

23 S. Brown; W. Dumas --

24 A. Dumas.

25 Q. Dumas. Couldn't tell?

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

40 (Pages 154 to 157)

154	<p>1 A. Yeah. I know him.</p> <p>2 Q. Sorry.</p> <p>3 (Continuing) -- and B. Robinson -- you've got</p> <p>4 an operator and two riggers identified here?</p> <p>5 A. Correct.</p> <p>6 Q. Am I correct, sir, that a rigger would also</p> <p>7 be either a wireline operator or a junior wireline</p> <p>8 operator?</p> <p>9 A. Correct.</p> <p>10 Q. All right. And the customer was Shell</p> <p>11 Energy?</p> <p>12 A. Yes.</p> <p>13 Q. And it's out of Mansfield, Pennsylvania?</p> <p>14 A. Yes.</p> <p>15 Q. Now, the 38 Route 660, is that out in the</p> <p>16 sticks? That's just the location?</p> <p>17 A. That's the address of Shell Energy, of their</p> <p>18 office.</p> <p>19 Q. Thank you.</p> <p>20 Okay. But it does say -- their office is in</p> <p>21 Tioga County? That's where Mansfield is?</p> <p>22 A. Yes.</p> <p>23 Q. But then, it also identifies the well name.</p> <p>24 Right?</p> <p>25 A. Yes.</p>	156	<p>1 A. After we run that, we know exactly where the</p> <p>2 well is in relation to the surface.</p> <p>3 Q. Okay.</p> <p>4 A. We know if it's on somebody else's property</p> <p>5 or not.</p> <p>6 Q. There you go.</p> <p>7 A. Yeah.</p> <p>8 Q. I would assume that it's also -- it's based</p> <p>9 on the whole -- like a GPS; in other words, it's some</p> <p>10 way of locating?</p> <p>11 A. It's not GPS.</p> <p>12 Q. It's not?</p> <p>13 A. It is survey-type equipment.</p> <p>14 Q. Okay. Very good.</p> <p>15 "Remarks." See the "remarks" section?</p> <p>16 A. Uh-huh.</p> <p>17 Q. I think I understand. This perforation was</p> <p>18 done at 5,055 feet to 5,065 feet --</p> <p>19 A. Correct.</p> <p>20 Q. -- in the line itself?</p> <p>21 A. In the well.</p> <p>22 Q. In the well.</p> <p>23 Yeah. You guys just call it "the well."</p> <p>24 Right?</p> <p>25 A. The hole, the well.</p>
155	<p>1 Q. Lingle 1102-IV?</p> <p>2 A. IV.</p> <p>3 Q. IV. Okay.</p> <p>4 Well name -- I see. So the well name is</p> <p>5 Lingle with the numbers, and the field is Wildcat?</p> <p>6 A. Yes.</p> <p>7 Q. Then it also identifies the type of service?</p> <p>8 A. Correct.</p> <p>9 Q. Gyro, CBL, p-e-r-f.</p> <p>10 Perf is perforation?</p> <p>11 A. Yes.</p> <p>12 Q. What is CBL?</p> <p>13 A. Cement bond log. That's the tool that we use</p> <p>14 to tell the integrity of the cement job.</p> <p>15 Q. Is it basically a sound?</p> <p>16 A. Yes, it's acoustics.</p> <p>17 Q. I was going to say, yeah. Okay.</p> <p>18 And "gyro," what does that mean?</p> <p>19 A. For us, it's a mechanical service. We're</p> <p>20 hoisting somebody else's tools. A gyro is a tool that</p> <p>21 they use to tell the direction of the well, where is</p> <p>22 the bottom of the well.</p> <p>23 Q. So it's a direction finder?</p> <p>24 A. Direction survey, yes.</p> <p>25 Q. Right.</p>	157	<p>1 Q. That's where you guys did a perforation --</p> <p>2 A. Yes.</p> <p>3 Q. -- which means, that's where you ran your</p> <p>4 assembly down -- your string. Right?</p> <p>5 A. Correct.</p> <p>6 Q. And blew -- and detonated the gun?</p> <p>7 A. Correct.</p> <p>8 Q. Okay. What is the LU number?</p> <p>9 A. That's a Shell number. In order for us to</p> <p>10 get paid, we have to have this number recorded on</p> <p>11 our -- when we submit an invoice, we have to have this</p> <p>12 number. It's like a purchase order number.</p> <p>13 Q. What about API; what is that?</p> <p>14 A. That's a number that's given to that well so</p> <p>15 that -- you can actually reference that -- you can go</p> <p>16 anywhere in the United States and recognize --</p> <p>17 reference that well and know where it is.</p> <p>18 Q. Is that American Petroleum Institute?</p> <p>19 A. Yes.</p> <p>20 Q. I thought.</p> <p>21 Wow! Okay.</p> <p>22 A. Every well ever drilled, from some point in</p> <p>23 time, has an API number.</p> <p>24 Q. Okay. What's this AFE number?</p> <p>25 A. That's like a purchase order from the</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

41 (Pages 158 to 161)

158

1 customer. He does a cost estimate. And it's of when
 2 he starts a project. And it's like a bucket that money
 3 is drawn out of as they do services for the well.
 4 **Q. Do you know what "AFE" stands for?**
 5 A. I do not.
 6 **Q. Is that a number that the customer then gives**
 7 **you?**
 8 A. Yes. It's like a purchase order number.
 9 **Q. "AFE," is that what you find for any**
 10 **customer, Shell or anybody else?**
 11 A. It's a typical -- yes, most people track
 12 their costs by AFEs. It's like a purchase order. You
 13 start out a project, and your boss wants to know what's
 14 it going to cost to do this job.
 15 **Q. Give me an estimate?**
 16 A. And they do an estimate. And it's probably
 17 field estimate something -- something field estimate.
 18 **Q. Yeah. Okay. Now, it says, arrive, 7:00 a.m.**
 19 **Do you see that?**
 20 A. Uh-huh.
 21 **Q. Time on well. Arrived, 7:00 a.m. But it**
 22 **doesn't have a departure. Do you know why?**
 23 A. He didn't do his job.
 24 **Q. Fair enough.**
 25 **Who's the "he"?**

159

1 A. Scotty Brown, the operator.
 2 **Q. Because you expect -- you called him an**
 3 **operator. That's fine.**
 4 A. Well, that's what it's called on the top of
 5 our ticket.
 6 **Q. Yeah. But we know, from our discussion, that**
 7 **operator is equivalent of engineer?**
 8 A. Yes.
 9 **Q. And you have described him as the**
 10 **supervisor --**
 11 A. Yes.
 12 **Q. -- on the site?**
 13 A. Yes.
 14 **Q. Fair enough.**
 15 **Service performed, it has these three**
 16 **services that correspond to the services identified up**
 17 **here in type of service. Right?**
 18 A. Yes.
 19 **Q. And for each of these, it has a price.**
 20 **Right?**
 21 A. Correct.
 22 **Q. \$500, \$3,500, \$1,000, total \$6,500?**
 23 A. Correct.
 24 **Q. Then there is some miscellaneous charge for**
 25 **grease. What is that? Do you know?**

160

1 A. Grease? It's actually 5K grease, and
 2 it's the pressure control equipment that we install on
 3 top. It's a piece of equipment that we charge for.
 4 **Q. Is that right?**
 5 I see. You have to have the right tool to
 6 inject the grease under pressure?
 7 A. The name "grease" is -- we use grease to
 8 control the well. It's pretty complicated, but it's
 9 just a term we use for a piece of equipment that we use
 10 on the well.
 11 Basically, a well has pressure on it, and you
 12 have valves.
 13 **Q. You mean a positive pressure that you put in**
 14 **from the top?**
 15 A. That the well is making.
 16 **Q. Thank you.**
 17 A. The gas.
 18 **Q. The gas has a certain pressure?**
 19 A. 3,500 pounds, let's say. So you've got
 20 valves, three or four valves, that keep that pressure
 21 in the ground until you're ready to send it somewhere.
 22 So we have to get into that well and do services, so we
 23 put a specialized piece of equipment on top of the
 24 well, and that allows us to get our tools into the
 25 well, open them up, send them down, do our service,

161

1 bring them back out, close the well, the valves, and
 2 then we're able to take our equipment off the top and
 3 add more tools or whatever we need to do.
 4 **Q. Because you're running your tools down**
 5 **through the well casing?**
 6 A. Yes.
 7 **Q. Right. And that well casing has pressure?**
 8 A. Yes.
 9 **Q. All right. Okay. Who's this company rep**
 10 **signature? Is that the Shell Energy rep?**
 11 A. Correct.
 12 **Q. All right. Take a look at the next one. And**
 13 **the next one, similar -- I assume that, basically, the**
 14 **legend, if you will, is the same?**
 15 A. Almost identical.
 16 **Q. And this time Brown, Scott Brown, identified**
 17 **7:00 a.m. arrived, 3:45 depart, and he even put the**
 18 **total?**
 19 A. Yes.
 20 **Q. That's on --**
 21 A. -- the next day.
 22 **Q. -- the next day.**
 23 **And if you take a look at 2/3, February 3,**
 24 **arrive time, depart time is identified on this next**
 25 **one?**

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

42 (Pages 162 to 165)

162	164
<p>1 A. Correct.</p> <p>2 Q. Page 3, at the lower right hand.</p> <p>3 You've got one operator or engineer, Scott</p> <p>4 Brown, and you got one rigger?</p> <p>5 A. Yes.</p> <p>6 Q. And then, the next day -- well, not the next</p> <p>7 day, but the next ticket we've got, which is -- lower</p> <p>8 right-hand corner -- 4 -- I see, in some of these --</p> <p>9 you're right -- sometimes they'll put the arrive time</p> <p>10 and depart time and total. Sometimes they'll put none</p> <p>11 of it. Right?</p> <p>12 A. Correct.</p> <p>13 Q. And these are called your "field tickets."</p> <p>14 Right?</p> <p>15 A. Correct.</p> <p>16 Q. You and I had talked before about how one</p> <p>17 could go back and figure out how many hours people were</p> <p>18 working. What you told me was, you really -- you could</p> <p>19 go to the field ticket. Right?</p> <p>20 A. Yes.</p> <p>21 Q. This is a field ticket; is it not?</p> <p>22 A. Correct.</p> <p>23 Q. Suppose you have a situation where the field</p> <p>24 ticket doesn't do it, I mean, because we've seen</p> <p>25 already that some of these, you can't -- whoever it is,</p>	<p>1 Q. Okay. And the rigger got half of that; he</p> <p>2 got \$130?</p> <p>3 A. He got 2 percent, yes.</p> <p>4 Q. Half of whatever the engineer got?</p> <p>5 A. Yes.</p> <p>6 Q. Okay. Where would I track that? Would I</p> <p>7 have to look at the pay statements or paystubs for</p> <p>8 those guys, those individuals?</p> <p>9 A. You could find the bonus there. I mean, we</p> <p>10 designate it as bonus. But as broke down to the</p> <p>11 ticket, to the job?</p> <p>12 Q. No. No. But for the day -- or could I?</p> <p>13 A. We track it per ticket, per field ticket.</p> <p>14 Q. Well, you calculate it per field ticket.</p> <p>15 A. And we track it that way also. There is a</p> <p>16 sheet, a bonus sheet --</p> <p>17 Q. Thank you.</p> <p>18 A. -- that directly relates all bonuses to these</p> <p>19 field tickets. We turn it in once a month to pay our</p> <p>20 bonus.</p> <p>21 Q. All right. And the bonus sheets are tied</p> <p>22 indirectly with the field ticket?</p> <p>23 A. Yes.</p> <p>24 Q. Okay. So if I asked for the bonus sheets,</p> <p>25 the bonus sheets would provide information not only as</p>
163	165
<p>1 the engineer/operator hasn't identified start time,</p> <p>2 depart time, or arrive time, depart time.</p> <p>3 A. Correct.</p> <p>4 Q. So in a situation like that, then, where did</p> <p>5 you go to try to figure it out?</p> <p>6 A. Job report.</p> <p>7 Q. I'll show you some job reports here. I think</p> <p>8 I have a couple. Okay?</p> <p>9 A. Okay.</p> <p>10 Q. You can show me how that works.</p> <p>11 Now, since I have -- we have here some of</p> <p>12 these examples of field tickets. Is it the field</p> <p>13 ticket that will then be the basis for calculating a</p> <p>14 bonus?</p> <p>15 A. Yes.</p> <p>16 Q. Okay. So, for example, you could go, if you</p> <p>17 take a look at the lower right-hand corner 4 -- yeah,</p> <p>18 you have right there -- \$6,500. Right?</p> <p>19 A. Correct.</p> <p>20 Q. All right. 1 percent of \$6,500 is \$65. So</p> <p>21 you're telling me, for that day, he gets -- Scott Brown</p> <p>22 made four times that much. Right?</p> <p>23 A. Correct.</p> <p>24 Q. Or \$260. Correct?</p> <p>25 A. Yes.</p>	<p>1 to how much people were paid, individuals were paid,</p> <p>2 for a given period of time, but, also, you'd be able to</p> <p>3 identify on those bonus sheets which field ticket it's</p> <p>4 associated with?</p> <p>5 A. Correct.</p> <p>6 Q. Okay. If you take a look at 5, lower</p> <p>7 right-hand corner --</p> <p>8 A. Okay.</p> <p>9 Q. This is February 10 of 2011. You see where</p> <p>10 it's arrive at 6:30 a.m. and depart at 6:00 p.m.?</p> <p>11 A. Yes.</p> <p>12 Q. And Scott Brown then identified that as 11</p> <p>13 and a half hours. Do you see that?</p> <p>14 A. Yes.</p> <p>15 Q. All right. And am I correct, sir, that it</p> <p>16 typically takes time to get to these well sites from</p> <p>17 wherever you may be, whether it's from the shop or from</p> <p>18 a hotel?</p> <p>19 A. Yes.</p> <p>20 Q. All right. And then, it takes that same</p> <p>21 amount of time, assuming you're still on the job, to</p> <p>22 get back to either the hotel or back to the shop?</p> <p>23 A. Correct.</p> <p>24 Q. And you're saying, I think, before, that in</p> <p>25 order to track the time that people were traveling,</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

43 (Pages 166 to 169)

166	168
<p>1 you'd have to look at their logs?</p> <p>2 A. Correct.</p> <p>3 Q. Their DOT logs?</p> <p>4 A. Yes.</p> <p>5 Shell has a 14-hour rule, so no more than 14</p> <p>6 hours driving to, from location, and on the job. So on</p> <p>7 this particular job -- this is a Shell ticket -- I know</p> <p>8 that he was not driving over 14 hours for this</p> <p>9 particular job.</p> <p>10 Q. You mean --</p> <p>11 A. Or on location or total working time over</p> <p>12 14 hours.</p> <p>13 Q. I understand what you're saying.</p> <p>14 Shell, at least, said whatever you do,</p> <p>15 maximum 14 hours work a day?</p> <p>16 A. Yes.</p> <p>17 (Discussion off the record.)</p> <p>18 Q. Correct me if I'm wrong, sir. If you take a</p> <p>19 look at page 2, in the lower right-hand corner,</p> <p>20 7:00 a.m. is arrive at the well site?</p> <p>21 A. Correct.</p> <p>22 Q. 3:45 is depart the well site?</p> <p>23 A. Correct.</p> <p>24 Q. The point of this is that it shows, at least</p> <p>25 when it's filled out, total time spent at the well</p>	<p>1 A. Yeah.</p> <p>2 Q. You see where it says the date. I guess</p> <p>3 that's 1/30/2014, January 30 of 2014. You see where it</p> <p>4 says, "engineer"; then it has "operator"?</p> <p>5 A. Yes. Yes.</p> <p>6 Q. But looking at that again, the engineer</p> <p>7 sometimes can be referred to as an operator. Right?</p> <p>8 A. Yes.</p> <p>9 Q. And the operators sometimes are referred to</p> <p>10 as riggers?</p> <p>11 A. Yes.</p> <p>12 Q. So they're interchangeable?</p> <p>13 A. Yes.</p> <p>14 Q. That's fair. All right.</p> <p>15 I assume these, then, are just a little --</p> <p>16 slightly different form of the same thing as the field</p> <p>17 tickets?</p> <p>18 A. Correct. It's still a field ticket. We</p> <p>19 needed more room so we changed the format.</p> <p>20 Q. There you go. That's 6.</p> <p>21 Take a look at Exhibit 8. I told you I was</p> <p>22 going to bounce around a little bit here. This was in</p> <p>23 response to number 11 of the interrogatories for</p> <p>24 whatever --</p> <p>25 MR. CHIVERS: Christian, you may just want to</p>
167	169
<p>1 site?</p> <p>2 A. Correct.</p> <p>3 Q. That's Exhibit 5.</p> <p>4 In terms of payment of the bonuses, do you</p> <p>5 get paid -- how soon after the end of the month?</p> <p>6 I assume it's month by month the bonuses are</p> <p>7 paid?</p> <p>8 A. We turn the bonus sheet in at the end of the</p> <p>9 month and we pay by the 15th of the following month.</p> <p>10 Q. All right. Does it matter whether the</p> <p>11 employee is still employed as of the 15th of the</p> <p>12 following month as to whether that person gets his</p> <p>13 bonus?</p> <p>14 A. No. He should get his bonus regardless.</p> <p>15 Q. Take a look at Exhibit 6. If you take a look</p> <p>16 at Exhibit 6, am I correct these are more examples of</p> <p>17 field tickets?</p> <p>18 A. Correct.</p> <p>19 Q. If you would, though, take a look in</p> <p>20 Exhibit 6. There are a couple of pages that I'm going</p> <p>21 to ask you about.</p> <p>22 By the way, if you take a look in the upper</p> <p>23 right-hand corner, 41455 -- and it's interesting. Now</p> <p>24 we're back to 41455.</p> <p>25 See that?</p>	<p>1 look at this.</p> <p>2 Q. On page 10 of Exhibit 4, the question was --</p> <p>3 the request was to identify and describe defendant's</p> <p>4 inventory of rolling stock.</p> <p>5 Do you call it "rolling stock"?</p> <p>6 A. I've heard it referred to as that.</p> <p>7 Q. You just call them your vehicles?</p> <p>8 A. Trucks.</p> <p>9 Q. Trucks.</p> <p>10 Okay. You see where it says, "including</p> <p>11 vehicles less than 10,001 pounds gross vehicle weight"?</p> <p>12 A. Okay.</p> <p>13 Q. "Yes"?</p> <p>14 A. Yes.</p> <p>15 Q. Then you see the answer on the next page, on</p> <p>16 page 11?</p> <p>17 A. Okay.</p> <p>18 Q. Now, am I correct, sir, that the way this was</p> <p>19 answered was -- I mean, the information we got -- the</p> <p>20 small vehicles, it's a combination of what's in</p> <p>21 Exhibit 8 and Exhibit 9?</p> <p>22 Take a look at 8 and 9.</p> <p>23 A. 9 is a list of people that we're leasing</p> <p>24 vehicles from, vehicles and -- people that are getting</p> <p>25 vehicle allowances, people that are using their own</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

44 (Pages 170 to 173)

170	172
<p>1 vehicles.</p> <p>2 Q. That's correct. But my questions is: Am I</p> <p>3 reading this correctly, that in order to identify the</p> <p>4 vehicles of less than 10,001 pounds gross vehicle</p> <p>5 weight that are used in the performance of the wireline</p> <p>6 services by Renegade, one would have to look at both</p> <p>7 Exhibit 8 and Exhibit 9?</p> <p>8 A. Yes.</p> <p>9 Q. All right. And then, could I, sir, determine</p> <p>10 from looking -- this is not the complete list, by the</p> <p>11 way. Wait. Yes, it is. It is a complete list; isn't</p> <p>12 it?</p> <p>13 That's all the pages, I think, that we were</p> <p>14 provided. Am I correct?</p> <p>15 Why don't we take a look? 334 --</p> <p>16 MR. ANTKOWIAK: It states 4326 through 4333</p> <p>17 is a list of Renegade vehicles used by employees.</p> <p>18 Then, in addition, Renegade has a program whereby</p> <p>19 employees were paid vehicle lease allowance. I</p> <p>20 believe that's what you're referring to as</p> <p>21 Exhibit 9.</p> <p>22 Q. Here's my question: I looked through here,</p> <p>23 and I only see the small vehicles. I don't see the big</p> <p>24 ones like the wireline truck and the crane and the</p> <p>25 vehicles like that.</p>	<p>1 probably more difficult to get than the big</p> <p>2 vehicles, the commercial vehicles.</p> <p>3 If you would, could you just supplement --</p> <p>4 send me the list of your commercial vehicles?</p> <p>5 MR. ANTKOWIAK: We can do that.</p> <p>6 MR. CHIVERS: That's all. That would be</p> <p>7 fine. All right.</p> <p>8 BY MR. CHIVERS:</p> <p>9 Q. Sir, let me ask you this. If you take a look</p> <p>10 at Exhibit 8, you'll see that it actually identifies</p> <p>11 the GVWR for the vehicle?</p> <p>12 A. Yes.</p> <p>13 Q. Over in the far left, that district, is that</p> <p>14 a code for the district -- like the districts you</p> <p>15 identified at the very beginning?</p> <p>16 A. Yes.</p> <p>17 Q. And so what is DCTY?</p> <p>18 A. That would be Denver City, Texas.</p> <p>19 Q. What is AND, Andrews?</p> <p>20 A. Andrews.</p> <p>21 Q. Andrews, Texas?</p> <p>22 A. Yes.</p> <p>23 Q. SWPA?</p> <p>24 A. -- is Southwest PA, which is Ruffs Dale.</p> <p>25 Q. That's where your shop is?</p>
171	173
<p>1 A. Okay. I thought your question asked for the</p> <p>2 small vehicles.</p> <p>3 Q. I said, "including." It was supposed to be</p> <p>4 inclusive.</p> <p>5 A. Okay. This is not a list of the larger</p> <p>6 equipment.</p> <p>7 Q. Yeah, I figured that. I did.</p> <p>8 But I think what you're telling me right now</p> <p>9 is, you just read it a different way?</p> <p>10 A. Yes.</p> <p>11 Q. That's all right.</p> <p>12 A. We thought you wanted our small vehicle list.</p> <p>13 Q. Just the small ones.</p> <p>14 MR. ANTKOWIAK: I'll just state for the</p> <p>15 record that this was -- these are the supplemental</p> <p>16 responses, as we understood them to come out of</p> <p>17 discussions with counsel. And so while the</p> <p>18 original question had asked for all the</p> <p>19 vehicles -- because I do see it does say</p> <p>20 "including vehicles less than 10,001" -- it was</p> <p>21 our understanding that the supplemental was</p> <p>22 supposed to just focus on the small vehicles.</p> <p>23 MR. CHIVERS: By the way, I'm fine with it.</p> <p>24 Okay. Look. I'm making a request. I'm not</p> <p>25 criticizing anybody because, frankly, this is</p>	<p>1 A. Yes.</p> <p>2 Q. What is NEPA?</p> <p>3 A. Northeast PA, which is Mansfield.</p> <p>4 Q. What is HBBS?</p> <p>5 A. Hobbs.</p> <p>6 Q. Hobbs?</p> <p>7 A. New Mexico.</p> <p>8 Q. H-o-b-b-e-s?</p> <p>9 A. H-o-b-b-s.</p> <p>10 Q. All right. SNY?</p> <p>11 A. Snyder.</p> <p>12 Q. Texas?</p> <p>13 A. Uh-huh.</p> <p>14 Q. What is Levelland, LVL?</p> <p>15 A. Uh-huh.</p> <p>16 Q. WWD?</p> <p>17 A. Woodward.</p> <p>18 Q. Texas again?</p> <p>19 A. Oklahoma.</p> <p>20 Q. Oh, yeah? Where is that?</p> <p>21 A. Northwest part of the state, nearly the</p> <p>22 panhandle.</p> <p>23 Q. Nearly the panhandle?</p> <p>24 A. All their work takes place in the panhandle</p> <p>25 of Texas -- the majority of it.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

45 (Pages 174 to 177)

174	<p>1 Q. So the work occurs in the Texas panhandle.</p> <p>2 The shop is located near it, in Northwestern Oklahoma?</p> <p>3 A. Right. They probably cross the border every</p> <p>4 day.</p> <p>5 Q. That was my question. Yeah.</p> <p>6 A. It's the same thing with New Mexico. And the</p> <p>7 Permian Basin probably crosses borders on a regular</p> <p>8 basis.</p> <p>9 Q. If not daily, regularly?</p> <p>10 A. Yes.</p> <p>11 Q. Out of Ruffs Dale, do the crews regularly</p> <p>12 cross the border to West Virginia and Ohio?</p> <p>13 A. Yes.</p> <p>14 Q. Out of -- I guess the ones that wouldn't be</p> <p>15 as frequent would be the ones stuck in the middle of a</p> <p>16 state like Texas? Or do they even cross the borders?</p> <p>17 A. Not near as often. The Devine and Refugio</p> <p>18 probably cross less than anybody.</p> <p>19 Q. And the other extreme being a place like</p> <p>20 Woodward, Oklahoma, where it's basically a daily basis?</p> <p>21 A. Yes. I would expect probably 80 percent of</p> <p>22 their work to be performed in Texas, so they cross over</p> <p>23 daily.</p> <p>24 Q. There might be another one here. Who's NEPA?</p> <p>25 A. That's the Ruffs Dale -- Northeast PA.</p>	176	<p>1 paid out of a certain cost center.</p> <p>2 Q. Right.</p> <p>3 Adam Areliano, do you know what district he's</p> <p>4 out of?</p> <p>5 A. Don't know.</p> <p>6 Q. Okay. Coronado Armando?</p> <p>7 A. Don't know either.</p> <p>8 Q. Locklin, Austin?</p> <p>9 A. I would -- the amount of -- I would not know</p> <p>10 where most of these people actually are.</p> <p>11 Q. Well, we know where Dustin Brown is?</p> <p>12 A. If I had -- you know, the very highest</p> <p>13 percentage of all these people are in the Permian</p> <p>14 Basin.</p> <p>15 Q. Okay.</p> <p>16 A. I don't think -- out of my four districts, I</p> <p>17 don't have anybody leasing vehicles back to us, so</p> <p>18 that's why I wouldn't know where most of these people</p> <p>19 are. They don't work for me.</p> <p>20 Q. So what, they purchase these vehicles and</p> <p>21 they lease them back to the company?</p> <p>22 A. Correct.</p> <p>23 Q. You guys give them a certain amount each</p> <p>24 month to cover their -- do you also pay them mileage?</p> <p>25 A. Pay them fuel and pay their repair bills</p>
175	<p>1 Q. Sorry. That's right. We already covered</p> <p>2 that.</p> <p>3 Okay. Now, I've got eight.</p> <p>4 A. We have added some since, since this was</p> <p>5 asked for, so.</p> <p>6 Q. Thank you.</p> <p>7 A. There's two or three more districts.</p> <p>8 Q. That have these small vehicles?</p> <p>9 A. Yes.</p> <p>10 MR. CHIVERS: All right. Same request.</p> <p>11 MR. ANTKOWIAK: Uh-huh.</p> <p>12 MR. CHIVERS: Zap them on over. If you</p> <p>13 could, now that you know I need to know what these</p> <p>14 districts are, give me at least a little code that</p> <p>15 says -- because some of the other districts</p> <p>16 haven't been accounted for yet.</p> <p>17 BY MR. CHIVERS:</p> <p>18 Q. Now, if you take a look at Exhibit 9, how can</p> <p>19 I tell from this list -- maybe I know -- I know the</p> <p>20 answer.</p> <p>21 There's no way to tell from this list where</p> <p>22 these vehicles are assigned, in other words, what</p> <p>23 districts?</p> <p>24 A. Other than who they're assigned to. All</p> <p>25 these people are assigned to certain places. They get</p>	177	<p>1 also.</p> <p>2 Q. And these vehicles are used in the</p> <p>3 performance of their duties?</p> <p>4 A. These are generally management guys or sales</p> <p>5 guys. And I would say most of these are salesmen,</p> <p>6 but --</p> <p>7 Q. Do you know how many of these guys are</p> <p>8 crew --</p> <p>9 A. I don't.</p> <p>10 Q. -- members?</p> <p>11 A. I don't.</p> <p>12 Q. Okay. Do you know whether any of them would</p> <p>13 be crew members, like the engineers?</p> <p>14 A. Yes, they would be.</p> <p>15 Q. Okay. You just don't know who?</p> <p>16 A. I'd have to cross-reference this list to what</p> <p>17 they're classified as, and then we could determine</p> <p>18 that. I haven't done that.</p> <p>19 Q. It's fair to say, certainly, to the extent</p> <p>20 that these are -- that the people identified here have</p> <p>21 these vehicles, they own these vehicles and lease them</p> <p>22 back to Renegade, your understanding would be that</p> <p>23 these are vehicles used in support of Renegade</p> <p>24 Wireline's business?</p> <p>25 A. Yes.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

46 (Pages 178 to 181)

178	180
<p>1 Q. Same as the vehicles that are owned by 2 Renegade? 3 A. Yes. 4 Q. All right. 5 A. We also lease vehicles from Enterprise. 6 Q. Did I get a list of those? 7 A. That's in there. So some of those vehicles 8 are not owned by Renegade. 9 Q. You mean some of the vehicles listed in 10 Exhibit 8? 11 A. Yes. 12 (Discussion off the record.) 13 Q. Do you know, in Exhibit 9, are all of these 14 small vehicles? 15 A. Yes. 16 Q. Every one of them? 17 A. Yes. 18 Q. And you understand "small vehicle" means less 19 than 10,001 pounds gross vehicle weight? 20 A. Yes. 21 MR. CHIVERS: I've got Exhibit 7 and Exhibit 22 12. Okay. Let me take a look, first -- take a 23 look at 12 first. 24 Christian, do you know if 12 -- are these 25 Tvrdovsky's for the job, if you know? Are these</p>	<p>1 these forms, where it would indicate a small vehicle 2 was driven? 3 A. The truck number. 4 Q. Okay. Let's just take Exhibit 12 as an 5 example, because I see where it says, "total miles 6 driven in a day, 138." Right? 7 A. Yes. 8 Q. What does "total mileage today" -- what does 9 that mean? Is that a running -- it must be a running 10 total? 11 A. Yes. You know, I don't know -- it looks like 12 it's improperly filled out at the top. But "total 13 miles driving today" and "total mileage today," I don't 14 know why they -- "total miles driving" -- one is if you 15 have a codriver. So if you're in the sleeper berth, 16 you could actually be driving and off duty, and your 17 total mileage would be higher than what you actually 18 drove. So one is the total miles that you drove. One 19 is the total miles that the vehicle went. 20 Q. "Running total," nobody drives 37,000 miles 21 in a day? 22 A. He improperly -- I don't know what that 23 number means. 24 Q. All right. Okay. Now, what you're telling 25 me, though, is this number 69 will correspond to --</p>
179	181
<p>1 somebody else's? 2 THE WITNESS: Somebody else's. 3 MR. ANTKOWIAK: They have to be somebody 4 else's because they're from Texas. 5 MR. CHIVERS: Yeah. Yeah. 6 THE WITNESS: They're signed, at the top, who 7 the driver is. 8 BY MR. CHIVERS: 9 Q. Okay. It's got his name written out. It 10 doesn't actually identify -- it's not printed. Right? 11 A. Correct. 12 Q. That's fine. 13 I'm trying to remember where I saw Curtis's. 14 Let's just take Exhibit 7 and Exhibit 12, 15 though. And these are going to be -- my question is 16 whether these are representative of the driver's daily 17 log. 18 A. Yes. 19 Q. Now, remember I asked you the question, 20 before, about, first, who's required to fill these out? 21 Basically, I think what you told me is, 22 everybody who was salaried was filling these out? 23 A. Yes. 24 Q. Okay. I know this is not a complete listing 25 by any stretch, but can you see anywhere in here, on</p>	<p>1 A. Truck number 69, HU069 probably. 2 Q. Thanks. 3 But what you're saying -- or are you saying 4 that I would be able to look through these documents 5 and identify a small vehicle that the guy was driving? 6 A. Should be, yes. All our pickups have 7 numbers. 8 Q. Okay. If you take a look at the exhibits, 9 like the inventory of the small vehicles -- show me 10 where there's a number. 11 A. Unit number, second column. 12 Q. Yes. I see that. 13 A. "PT." Most of the pickup trucks should be 14 designated PT 1069. 15 Q. That's interesting. Would you understand, if 16 you take a look at this -- and what is that, Denver 17 City? What's the name of the place in Texas? 18 A. Denver City. 19 Q. It is Denver City? 20 A. Yes. 21 Q. So this guy -- just by chance, it looks like 22 he was driving the Ford F-250? 23 A. Now, I would say this is probably hoist unit 24 069. 25 Q. Thank you. Okay. All right. Thanks. I</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

47 (Pages 182 to 185)

182	<p>1 appreciate that.</p> <p>2 And you would expect, if somebody was driving</p> <p>3 one of the pickup trucks, like the F-250, it would have</p> <p>4 a like a "PT" in front of it?</p> <p>5 A. If this form is filled out correctly, it</p> <p>6 would be --</p> <p>7 Q. If it's filled out correctly?</p> <p>8 A. -- the pickup number will be recorded.</p> <p>9 Q. What is "CRB" -- do you know -- or "CRA"?</p> <p>10 What would that correspond to?</p> <p>11 A. Where do you see that?</p> <p>12 Q. I can't tell if it's an 8. I think it's</p> <p>13 an 8.</p> <p>14 If you take a look at Exhibit 12, 5647 in the</p> <p>15 lower right-hand corner --</p> <p>16 A. 5647. Crane.</p> <p>17 Q. That's a crane?</p> <p>18 A. Crane 8, yes.</p> <p>19 Q. Do you know how, if at all, one could</p> <p>20 determine whether the Renegade employees are making</p> <p>21 interstate trips in the small vehicles?</p> <p>22 A. It should be recorded on this document. When</p> <p>23 you cross a state line, you're supposed to record where</p> <p>24 it is you crossed that line.</p> <p>25 Q. Where would that be?</p>	184	<p>1 would say to me. And he drove to Garden City, Texas?</p> <p>2 A. On which one? Yes.</p> <p>3 Q. The first page.</p> <p>4 A. I was on a different one. Yes.</p> <p>5 Q. And then, he drove from Garden City, Texas to</p> <p>6 Snyder, Texas?</p> <p>7 A. Yes.</p> <p>8 Q. And it sounds to me like the round trip would</p> <p>9 be 138 miles?</p> <p>10 A. Correct.</p> <p>11 Q. That's what you would assume. Right?</p> <p>12 A. Yes.</p> <p>13 Q. I see. Can you tell -- if you take a look at</p> <p>14 5649 of Exhibit 12, lower right-hand corner -- it says,</p> <p>15 "on duty for 11 hours."</p> <p>16 Do you see that?</p> <p>17 A. Yes.</p> <p>18 Q. Can you tell where this guy is for those</p> <p>19 11 hours?</p> <p>20 A. Not off this, no.</p> <p>21 Q. I mean, would you -- yeah, you can't tell</p> <p>22 whether he's on site, whether he's at the shop --</p> <p>23 A. Correct.</p> <p>24 Q. -- can you?</p> <p>25 A. No. But I could probably cross-reference his</p>
183	<p>1 A. It would be down in these -- in the remarks</p> <p>2 section, down at the bottom.</p> <p>3 Q. In the remarks, really, with a time --</p> <p>4 there's a timeline down there and then an arrow,</p> <p>5 basically, a line leading from a particular time on</p> <p>6 that timeline?</p> <p>7 A. Yes.</p> <p>8 Q. Right?</p> <p>9 A. Yes.</p> <p>10 Q. Can you decipher for me, on Exhibit 12, what</p> <p>11 a P trip is or Apache or a P?</p> <p>12 A. That's the customer. And then, "P trip" is</p> <p>13 pretrip. You have to document that you did a pretrip</p> <p>14 on that truck.</p> <p>15 Q. Okay. And then there is another pretrip --</p> <p>16 is that a pretrip or a posttrip?</p> <p>17 A. Post.</p> <p>18 Q. Okay. So you're saying that there should be</p> <p>19 records of pre- and posttrips both on the commercial</p> <p>20 vehicles and on the small vehicles?</p> <p>21 A. Yes, if they've done what they're supposed to</p> <p>22 be doing.</p> <p>23 Q. If they're doing what they're supposed to be</p> <p>24 doing.</p> <p>25 And he's in Snyder, Texas. That's what that</p>	185	<p>1 name and the dates and find out where he is -- where</p> <p>2 exactly he was.</p> <p>3 Q. What would you cross-reference with?</p> <p>4 A. Job field tickets or the job tickets.</p> <p>5 Q. Gotcha.</p> <p>6 "Shipping documents, Renegade Wireline."</p> <p>7 What does that mean?</p> <p>8 A. Where do you see this?</p> <p>9 Q. In that same -- see, in the lower left --</p> <p>10 lower left?</p> <p>11 A. Okay.</p> <p>12 Q. What is that?</p> <p>13 A. That's a bill of lading. When we're hauling</p> <p>14 explosives, we have to have a manifest of what we're</p> <p>15 hauling. There is paperwork documenting that we're</p> <p>16 hauling explosives.</p> <p>17 Q. So you would know, from looking at that, that</p> <p>18 that's explosives?</p> <p>19 A. No.</p> <p>20 Q. Okay.</p> <p>21 A. That doesn't mean anything to me, so --</p> <p>22 Q. Where do I find out -- where do I -- do you</p> <p>23 maintain all your bills of lading?</p> <p>24 A. Yes.</p> <p>25 Q. Do you call them "bills of lading"?</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

48 (Pages 186 to 189)

186	188
<p>1 A. Hazmat -- I'm not sure. I don't remember the</p> <p>2 exact term we call it.</p> <p>3 Q. Whenever anybody picks up a load, let's say</p> <p>4 at one of the shops, and delivers it to the site, is</p> <p>5 there paperwork that's generated?</p> <p>6 A. Yes. There should be paperwork.</p> <p>7 Q. What kind of paperwork would be generated?</p> <p>8 A. A material transfer sheet of some kind. I</p> <p>9 don't know the exact name of it.</p> <p>10 Q. That's the generic term, material transfer</p> <p>11 sheet?</p> <p>12 A. I don't know the -- I can't remember the</p> <p>13 exact name of the document, what it's called. I just</p> <p>14 know that we have shipping paperwork that documents</p> <p>15 when we pick it up and where we took it to and --</p> <p>16 Q. And what the items are?</p> <p>17 A. Yes.</p> <p>18 Q. Not just the explosives, but anything else?</p> <p>19 A. No. Just the explosives. That's the only</p> <p>20 thing we document.</p> <p>21 Q. If somebody is picking up a load of personal</p> <p>22 protective equipment or a load of rags or parts for the</p> <p>23 machines --</p> <p>24 A. That wouldn't be documented at all.</p> <p>25 Q. It's not documented.</p>	<p>1 and working?</p> <p>2 A. Yes. Both of them come into play.</p> <p>3 It's not -- we do have exemptions for hours</p> <p>4 on site, not on duty. So it gets a little tricky on</p> <p>5 keeping up with it.</p> <p>6 Q. And I see, if you take a look at the next</p> <p>7 document after that, on Exhibit 7, he's up to 16, and</p> <p>8 54 hours available?</p> <p>9 A. Yes.</p> <p>10 Q. Then 24 and 46 available. This week, at</p> <p>11 least, it appears he worked at the shop?</p> <p>12 A. Yes.</p> <p>13 Q. Can you read this guy's name? I can't.</p> <p>14 A. Larry something. You know, I could -- it's</p> <p>15 spelled out up here at the top. Pospisil.</p> <p>16 Q. Pospisil or whatever.</p> <p>17 Do you know if he's -- what kind of a worker</p> <p>18 he is?</p> <p>19 A. I do not. I'd have to reference the --</p> <p>20 Q. I wonder if this guy's a shop guy.</p> <p>21 A. I don't have a clue.</p> <p>22 Q. Okay. All right.</p> <p>23 A. It's not uncommon to spend a week at the shop</p> <p>24 and not do anything, no matter what job -- what</p> <p>25 classification you are. Generally, you would get even</p>
187	189
<p>1 Take a look at Exhibit 7. Now, it appears --</p> <p>2 this one I can understand, at least this part, which</p> <p>3 says, "Arrive at shop at 9:00. Leave shop at 5:00."</p> <p>4 Correct?</p> <p>5 A. Yep.</p> <p>6 Q. What does this column on the right-hand side</p> <p>7 of the document -- what does that mean?</p> <p>8 A. It's keeping track of the total hours. So</p> <p>9 total hours for the day, 16 hours of them were off</p> <p>10 duty. Zero in sleeper berth. Zero hours driving.</p> <p>11 Eight hours on duty, not driving.</p> <p>12 Q. Your understanding would be that driving</p> <p>13 would be whether it's in a commercial vehicle or a</p> <p>14 small vehicle?</p> <p>15 A. Yes. It wouldn't matter what he was driving</p> <p>16 in.</p> <p>17 Q. Okay. And then, along the right-hand side,</p> <p>18 it says, "total hours on duty last" --</p> <p>19 A. -- "eight hours" -- or last 70 -- eight-hour</p> <p>20 days.</p> <p>21 The column is a running total for the week.</p> <p>22 We're allowed to drive so many hours per week. And</p> <p>23 this helps you keep track of when you're out of hours</p> <p>24 to drive.</p> <p>25 Q. Well, isn't 70 hours a combination of driving</p>	<p>1 sent home at that point.</p> <p>2 Q. Okay. If you get sent home, what does that</p> <p>3 mean? You're literally told to just go home?</p> <p>4 A. Yeah, go home.</p> <p>5 Q. Do you still get your salary if you're sent</p> <p>6 home?</p> <p>7 A. Yes.</p> <p>8 Q. Now, Exhibit 13, are these more examples of</p> <p>9 the field tickets?</p> <p>10 A. Yes.</p> <p>11 Q. And I see, in the upper right-hand corner,</p> <p>12 these are three-man crew. Right?</p> <p>13 A. Correct.</p> <p>14 Q. Some of these get to be more involved. I'll</p> <p>15 give you an example. If you turn to 13499, in the</p> <p>16 lower right-hand corner --</p> <p>17 A. Okay.</p> <p>18 Q. -- am I correct that the billing for the day</p> <p>19 is \$77,000?</p> <p>20 A. Probably 27.</p> <p>21 Q. Yeah, I think you're right. Yeah, \$27,000.</p> <p>22 Okay.</p> <p>23 So there's an example of a day -- if \$275 is</p> <p>24 1 percent of \$27,570, this guy's making -- at least</p> <p>25 Hennish, Henny, whatever his name is, the operator --</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

49 (Pages 190 to 193)

190	192
<p>1 A. Right.</p> <p>2 Q. -- he's making over \$1,000 in that day in</p> <p>3 overtime?</p> <p>4 A. Yes.</p> <p>5 Q. And the rigger --</p> <p>6 MR. ANTKOWIAK: Could you repeat that? Did</p> <p>7 you say a thousand per day in --</p> <p>8 MR. CHIVERS: No. Just that day.</p> <p>9 MR. ANTKOWIAK: Did you say "in overtime"?</p> <p>10 Is that what you said?</p> <p>11 MR. CHIVERS: No. In bonus.</p> <p>12 MR. ANTKOWIAK: I thought you said</p> <p>13 "overtime."</p> <p>14 MR. CHIVERS: Did I? Strike that.</p> <p>15 MR. ANTKOWIAK: Okay.</p> <p>16 THE WITNESS: Yeah, I'll bet.</p> <p>17 MR. ANTKOWIAK: I wasn't sure if I heard you</p> <p>18 correctly.</p> <p>19 A. You're referencing the day. And this is per</p> <p>20 job. This is over a day's worth of work, so --</p> <p>21 Q. Thank you.</p> <p>22 Okay. And how can you tell -- I see. I see</p> <p>23 what you're saying. Can you tell from looking at this</p> <p>24 how many days it covers?</p> <p>25 A. Thirty-six hours, I can tell that.</p>	<p>1 MR. CHIVERS: Okay. Why don't we take a</p> <p>2 break?</p> <p>3 (Recess taken.)</p> <p>4 MR. CHIVERS: Back on the record.</p> <p>5 Q. If you would, take a look at Exhibit 13, and</p> <p>6 you see where this is the one we've looked at before,</p> <p>7 13499. Flip toward the end, 13499.</p> <p>8 And if you take a look, it says, "arrive at</p> <p>9 the well July 6 of 2012." Do you see that?</p> <p>10 A. Uh-huh.</p> <p>11 Q. And leave on July 7?</p> <p>12 A. Okay.</p> <p>13 Q. And it says total, 36. Correct?</p> <p>14 A. Okay.</p> <p>15 Q. You would agree with me that means that they</p> <p>16 were on site, working for 36 hours?</p> <p>17 A. They were on site for 36 hours. I don't know</p> <p>18 what they were working.</p> <p>19 Q. Is on-site time typically work time?</p> <p>20 A. No. It can be off time, too.</p> <p>21 Q. And how do you define "off time"?</p> <p>22 A. They weren't doing any of these services.</p> <p>23 Q. They were on the site, though. Correct?</p> <p>24 A. Yes.</p> <p>25 Q. What are they doing if they're not performing</p>
191	193
<p>1 Q. How can you tell that?</p> <p>2 A. Look at the time. Arrived at location.</p> <p>3 Depart location.</p> <p>4 Q. I see. Okay. Thanks. Yep.</p> <p>5 So you're on site for 36 hours. Right?</p> <p>6 A. That's correct.</p> <p>7 Q. Well, in that 36 hours, how would you</p> <p>8 determine how many of those hours the riggers actually</p> <p>9 worked?</p> <p>10 A. The best way would be off the job report.</p> <p>11 Q. Okay. This is the field ticket. And then,</p> <p>12 we looked at the other examples of the job report.</p> <p>13 Right?</p> <p>14 A. I don't think we've looked at that yet.</p> <p>15 Q. Haven't we looked at the job reports -- or</p> <p>16 have we?</p> <p>17 A. I don't remember seeing one.</p> <p>18 Q. All we have looked at thus far are the field</p> <p>19 tickets?</p> <p>20 A. Correct.</p> <p>21 Q. Right?</p> <p>22 A. And driver's logs.</p> <p>23 Q. Did you guys produce any job reports, that</p> <p>24 you remember?</p> <p>25 A. We produced bunches of them.</p>	<p>1 these services?</p> <p>2 A. They could be sleeping or eating or watching</p> <p>3 TV or --</p> <p>4 Q. Do the sites have TVs?</p> <p>5 A. The trucks do.</p> <p>6 Q. When you say "the trucks," like the wireline</p> <p>7 truck?</p> <p>8 A. Yes.</p> <p>9 Q. Do they have a place to sleep?</p> <p>10 A. They have -- yes, you can sleep in the</p> <p>11 trucks. You can sleep in the pickups. You can sleep</p> <p>12 on the bench in the trucks, yes.</p> <p>13 Q. As a matter of Renegade policy, how long does</p> <p>14 somebody have to get uninterrupted sleep in order for</p> <p>15 him not to be considered working? In other words, if</p> <p>16 you sleep for only two hours --</p> <p>17 A. I don't think we have a written policy on</p> <p>18 that.</p> <p>19 Q. Or a practice?</p> <p>20 A. Uh-huh.</p> <p>21 Q. Is that right?</p> <p>22 A. Right.</p> <p>23 Q. Correct me if I'm wrong. All these guys were</p> <p>24 getting paid salaries. Correct?</p> <p>25 A. Correct.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

50 (Pages 194 to 197)

194	196
<p>1 Q. So, I mean, look. When you get right down to</p> <p>2 it, it didn't matter how many hours they spent on the</p> <p>3 site; did it?</p> <p>4 A. As far as what?</p> <p>5 Q. As far as how much you had to pay them?</p> <p>6 A. Yes, it matters.</p> <p>7 Q. Because of the bonuses?</p> <p>8 A. Because of the bonuses, yes.</p> <p>9 Q. Other than the bonus, certainly in terms of</p> <p>10 the total number of hours, if you pay him a salary, it</p> <p>11 doesn't matter whether it's 12 hours or 18 hours; does</p> <p>12 it?</p> <p>13 A. Correct.</p> <p>14 Q. All right. Now, I did find some of these</p> <p>15 things we were looking for, although I can't -- I don't</p> <p>16 know how I can read them.</p> <p>17 A. They're not designed to be on paper, so --</p> <p>18 Q. These?</p> <p>19 A. Right.</p> <p>20 MR. CHIVERS: I gotcha. Okay. We're going</p> <p>21 to mark this as 14.</p> <p>22 (Whereupon, Deposition Exhibit 14 was marked</p> <p>23 for identification.)</p> <p>24 (Discussion off the record.)</p> <p>25 THE WITNESS: Are these all in PDF for you</p>	<p>1 A. The customer, the well name and number.</p> <p>2 Q. Yeah. I see that, well pad.</p> <p>3 A. Yes.</p> <p>4 Q. Okay.</p> <p>5 A. There are some API numbers and everything up</p> <p>6 on the top. There is a total standby hours --</p> <p>7 Q. Right.</p> <p>8 A. -- which, on this one, is 118 hours.</p> <p>9 Q. Right.</p> <p>10 A. Total operating hours, which I think this is</p> <p>11 about 51 hours operating. Lost time, which is</p> <p>12 something that we track for our efficiency ratings.</p> <p>13 Q. Right.</p> <p>14 A. Then a total number of hours.</p> <p>15 Q. These job reports, are they completed -- when</p> <p>16 you say "a job," is it a day, or is it a job</p> <p>17 corresponding to like a purchase order for the</p> <p>18 customer?</p> <p>19 A. It's for a job, from the time the truck</p> <p>20 arrives at location to the time it leaves.</p> <p>21 Q. All right. And what would the total -- what</p> <p>22 would the standby hours be? What does that mean, the</p> <p>23 standby hours?</p> <p>24 A. The time we weren't doing -- performing</p> <p>25 services.</p>
195	197
<p>1 guys, or are they the Excel --</p> <p>2 Q. There are some other pages, though, too.</p> <p>3 Let's work our way through.</p> <p>4 A. Okay.</p> <p>5 Q. Let's work our way through. Exhibit 14 is a</p> <p>6 series of documents from Bates number 14418 to 14427.</p> <p>7 Do you see that?</p> <p>8 A. Yes.</p> <p>9 Q. These might be a mix. I don't know. Start</p> <p>10 at the top and tell me what these are.</p> <p>11 A. The first one, 418, is a job report.</p> <p>12 Q. All right. Now, who completes -- is this a</p> <p>13 standard form?</p> <p>14 A. Yes, fairly standard throughout my districts.</p> <p>15 Q. When you say that, is it -- it's a Renegade</p> <p>16 document?</p> <p>17 A. Yes.</p> <p>18 Q. So we can call this, for lack of a better</p> <p>19 term, the "Renegade job report"?</p> <p>20 A. Yes.</p> <p>21 Q. All right. And it's awfully tough for us to</p> <p>22 read it. At some point we'll get one, I imagine, we</p> <p>23 can read.</p> <p>24 Tell me, basically, what information is on</p> <p>25 here.</p>	<p>1 Q. Okay. Now, during that time that you're not</p> <p>2 performing services, are the crew members allowed to</p> <p>3 leave the site?</p> <p>4 A. No -- it depends. They can leave the site,</p> <p>5 yes, but generally, no.</p> <p>6 Q. And generally no, because they could be</p> <p>7 called back to operate at any moment?</p> <p>8 A. Correct.</p> <p>9 Q. All right. Then the total operating, what</p> <p>10 does that correspond to, the time that your wireline</p> <p>11 truck is in service?</p> <p>12 A. The time we're going in and out of the hole,</p> <p>13 performing services for our customer.</p> <p>14 Q. Would it be fair to say that even the time</p> <p>15 that you're -- let's say before you're actually going</p> <p>16 into the hole with your cable and with your string,</p> <p>17 that there are things that need to be done before that</p> <p>18 starts?</p> <p>19 A. Yes.</p> <p>20 Q. Describe the kinds of things that typically</p> <p>21 need to be done before you can actually start going</p> <p>22 down the hole.</p> <p>23 A. Preparing the tool string to go into the</p> <p>24 hole, picking the tool string up off the ground. There</p> <p>25 are procedures that we have to do in arming the gun to</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

51 (Pages 198 to 201)

198	<p>1 put into the hole. And that's all done prior. It</p> <p>2 generally takes about 30 minutes.</p> <p>3 Q. Okay. And there are certain activities, I</p> <p>4 would assume -- typically, you operate -- when you</p> <p>5 start down a hole, you don't stop until it's out of the</p> <p>6 hole, until your equipment is out of the hole?</p> <p>7 A. Not -- I mean, no, not really.</p> <p>8 Q. Okay.</p> <p>9 A. There are times that -- we've sat in the hole</p> <p>10 for hours at a time, waiting for orders, or we didn't</p> <p>11 get down to where we expected to get down, or we've had</p> <p>12 issues and somebody needs to make a decision somewhere.</p> <p>13 We've sat for hours, waiting to do something.</p> <p>14 Q. And when you finally recommence the</p> <p>15 operation, it's based on somebody giving you the order</p> <p>16 to recommence?</p> <p>17 A. Yes.</p> <p>18 Q. And you need to be ready to recommence at a</p> <p>19 moment's notice?</p> <p>20 A. Yes.</p> <p>21 Q. All right. And so the total hours -- I see</p> <p>22 what this means. Total hours on site would be 170 --</p> <p>23 A. Yes.</p> <p>24 Q. -- in this situation?</p> <p>25 A. Uh-huh.</p>	200
199	<p>1 Q. Now, look. I don't pretend we can -- you can</p> <p>2 just give me a general description, if you can tell</p> <p>3 from your familiarity with these forms, what is it from</p> <p>4 left to right?</p> <p>5 A. All right. You know, I've got to have a</p> <p>6 little better look at it myself. I can't tell off of</p> <p>7 this.</p> <p>8 Q. I see one thing. The second column says,</p> <p>9 "stage"?</p> <p>10 A. Yeah.</p> <p>11 Q. Do you see that?</p> <p>12 A. I know we track stage. I know we track where</p> <p>13 we perforated at.</p> <p>14 Q. Yep.</p> <p>15 A. That's generally all these shaded colors over</p> <p>16 here.</p> <p>17 Q. Yep.</p> <p>18 A. We track the time that we're going in and out</p> <p>19 of the hole. We track the crew members. We track the</p> <p>20 services that we performed. That's over here, in the</p> <p>21 large column on the right.</p> <p>22 We track the shift, whatever shift that</p> <p>23 they're on, the number of shifts that it takes us to do</p> <p>24 the job.</p> <p>25 Q. Do the customers get these job reports?</p>	201

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

52 (Pages 202 to 205)

202	<p>1 operators, for SSEs?</p> <p>2 A. No. I'm assuming we didn't have an SSE on</p> <p>3 location or there would be a column for one.</p> <p>4 Q. So you're saying that, where there is an SSE,</p> <p>5 you'd have a separate column for an SSE?</p> <p>6 A. Yes. They get paid generally a half</p> <p>7 a percent.</p> <p>8 Q. Generally?</p> <p>9 A. Generally.</p> <p>10 Q. What does "generally" mean?</p> <p>11 A. I can't say that every single time that they</p> <p>12 got a half a percent bonus. If you saw that -- if you</p> <p>13 put them out toward their end of their time as an SSE</p> <p>14 and they were actually filling a position of a full</p> <p>15 operator, then we would pay them the full bonus.</p> <p>16 Q. So, for example, on a field ticket, if you</p> <p>17 were to see the list of three crew members and one of</p> <p>18 those crew members or riggers happens to be an SSE,</p> <p>19 would it say "SSE," or would it just say "rigger"?</p> <p>20 A. It would just say "rigger."</p> <p>21 Generally, you come in as a junior operator</p> <p>22 even though you're classified as an SSE.</p> <p>23 Q. Now, take a look at the total time for the</p> <p>24 operators.</p> <p>25 A. Okay.</p>	204	<p>1 you frack 300 feet, which is a stage. Then you come</p> <p>2 up, and you frack another 300 feet, which is another</p> <p>3 stage. So this was stage 2 of that well, stage 3 of</p> <p>4 that well, so forth.</p> <p>5 Q. I gotcha.</p> <p>6 And these numbers, do these numbers</p> <p>7 correspond to amounts of money?</p> <p>8 A. The plug is the depth -- whenever you --</p> <p>9 Q. I see. Yep.</p> <p>10 A. You set a plug in between the stages to</p> <p>11 isolate the stage that you've already fracked, so this</p> <p>12 plug is the depth that we set the plug at, and then we</p> <p>13 came up and we shot three clusters of guns. So we shot</p> <p>14 a cluster at 9,728. We shot a cluster at 9,640 and we</p> <p>15 shot a cluster at 9,550.</p> <p>16 Q. Then it has the charge?</p> <p>17 A. We shot a total of 51 holes in that</p> <p>18 perforating run, in that stage. The gun was phased at</p> <p>19 180 degrees, which means we shot -- the charges are</p> <p>20 180 degrees from each other, so one shot one way, one</p> <p>21 shot going the other. We used a 22.6 gram RDX Good</p> <p>22 Hole Outlaw charge, which is just a manufacturer's</p> <p>23 name.</p> <p>24 Q. The RDX, what does that mean?</p> <p>25 A. It's a type of explosive.</p>
203	<p>1 Q. This is total time on the job?</p> <p>2 A. Yes.</p> <p>3 Q. And so you see the different amounts?</p> <p>4 A. Yes.</p> <p>5 Q. Why does it have bonus at 2 percent and bonus</p> <p>6 at 1 percent?</p> <p>7 A. This guy was getting 1 percent, Robert</p> <p>8 Buffington and Larry Pospisil.</p> <p>9 Q. Yeah.</p> <p>10 A. I said, generally, a half a percent. They've</p> <p>11 awarded -- these are probably SSEs and got 1 percent.</p> <p>12 Q. Total ticket amount, what is "total ticket</p> <p>13 amount"?</p> <p>14 A. The total that the ticket was.</p> <p>15 Q. Meaning the total charge to the customer?</p> <p>16 A. The field ticket, yes.</p> <p>17 Q. Then the next page, Renegade 14420 --</p> <p>18 A. This is a little -- this is the same job</p> <p>19 report that's a little easier to see.</p> <p>20 Q. Yep. I see that.</p> <p>21 When it says -- I can see "well" and "stage."</p> <p>22 What does "stage" mean?</p> <p>23 A. We generally do work in stages. Whenever</p> <p>24 you're perforating -- you're fracking a horizontal</p> <p>25 well, you only frack 300 feet of it at the time. So</p>	205	<p>1 Q. That's what I thought.</p> <p>2 A. Yeah.</p> <p>3 Q. Yeah.</p> <p>4 A. HMX, RDX, PETN, it's all explosive types.</p> <p>5 Q. What kinds of explosives do you use, if you</p> <p>6 can tick off --</p> <p>7 A. High explosives.</p> <p>8 Q. They're high explosives?</p> <p>9 A. And low explosives. We use them all.</p> <p>10 Generally, they're classified in two or three types,</p> <p>11 igniters and high explosive and low explosives.</p> <p>12 Q. You don't use anything like C-4?</p> <p>13 A. No. C-4 is made out of one of these</p> <p>14 different -- these types of RDX or HMX or something.</p> <p>15 Q. That's what I thought.</p> <p>16 The pressure, that's pounds of pressure, or</p> <p>17 what is that?</p> <p>18 A. Yes, 5,700 pounds of pressure to pump down,</p> <p>19 when we're pumping our tools down to the bottom.</p> <p>20 Maximum tension on our cable was 1,800 pounds.</p> <p>21 This is the exact time that we went in the</p> <p>22 hole and got out of the hole, was the next one. And it</p> <p>23 calculates standby time, operating time, and lost time,</p> <p>24 in the next three columns.</p> <p>25 Then it should have -- I know that it's a</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassidy

53 (Pages 206 to 209)

206	<p>1 perforating job, so we didn't have any comments. They</p> <p>2 didn't have anything that they needed to note, such as</p> <p>3 that they got stuck in the hole at a certain depth. So</p> <p>4 this would be a place to make some comments.</p> <p>5 The next one is the crew, and the next one is</p> <p>6 the shift.</p> <p>7 Q. Now, the crew, those are the initials of the</p> <p>8 guys?</p> <p>9 A. Yes.</p> <p>10 Q. Then, the next one, it says pre-job tailgate</p> <p>11 safety meeting report. So anytime before you start</p> <p>12 this operation -- let's say you're going to be rigging</p> <p>13 charges, doing perforations or anything else, for that</p> <p>14 matter --</p> <p>15 A. We generally do these at the beginning of the</p> <p>16 shift.</p> <p>17 Q. Okay. Gotcha.</p> <p>18 No matter what the operations that you're</p> <p>19 going to be performing?</p> <p>20 A. If we deviate and go into a different part of</p> <p>21 the operation, then we may shut down and do another</p> <p>22 safety meeting at that time, so it's possible that you</p> <p>23 can have several of these during a shift.</p> <p>24 Q. And I see that this is from March 3 of 2011.</p> <p>25 Does that say "Rodney Oilfield"?</p>	208	<p>1 was David Noel, who is the engineer.</p> <p>2 Q. I gotcha.</p> <p>3 A. Then he had two guys on his crew.</p> <p>4 Q. So are you telling me that this page before</p> <p>5 is actually a four-man crew?</p> <p>6 A. Yes.</p> <p>7 Q. One engineer and three riggers?</p> <p>8 A. I'm not sure what classification the other</p> <p>9 three guys are. Rodney is the manager, so -- but I</p> <p>10 would expect these are probably operators. I wouldn't</p> <p>11 know, without looking, who they are.</p> <p>12 There is a tailgate safety meeting for</p> <p>13 every -- at the beginning of every shift that we did on</p> <p>14 this job, and this is the total.</p> <p>15 Q. Then, if you turn to 14425, what is this?</p> <p>16 A. This is a job we do per stage, a little</p> <p>17 paperwork that we do per stage. It shows various</p> <p>18 calculations that we need to do to perforate these</p> <p>19 holes at the depth that they want to do it. But it</p> <p>20 also shows -- I thought it showed time, but it</p> <p>21 doesn't -- yes, it does. In at 5:00 p.m. Out at 6:34.</p> <p>22 And that should correspond to the same times that are</p> <p>23 over on the job report.</p> <p>24 Q. And that's true of 14427 as well?</p> <p>25 A. Yes.</p>
207	<p>1 A. Yes.</p> <p>2 Q. Where is that, if you know?</p> <p>3 A. The meeting facilitator, that's Rodney</p> <p>4 Offield.</p> <p>5 Q. Oh, he's the facilitator?</p> <p>6 A. He's the engineer on the job.</p> <p>7 Q. You've got NSPA. Is that the Mansfield?</p> <p>8 No. No. What is NSPA?</p> <p>9 A. I don't know.</p> <p>10 Q. And then, I see that there are three Renegade</p> <p>11 employees?</p> <p>12 A. I think it's probably Northeast PA.</p> <p>13 Q. Yeah, somebody just -- I think you're right.</p> <p>14 Attendees, the three guys listed here would</p> <p>15 be the three crew members?</p> <p>16 A. The ones that are marked "RWLS," yes. There</p> <p>17 was a Chevron guy and a WCS, which I'm not -- I don't</p> <p>18 know exactly what company that is.</p> <p>19 Q. And the next page, 14422 -- I see that you've</p> <p>20 got two crew members. Right?</p> <p>21 A. Yes. Well, the engineer and two crew</p> <p>22 members.</p> <p>23 Q. Well, when you say the engineer and two crew</p> <p>24 members --</p> <p>25 A. Yes. This is the -- the meeting facilitator</p>	209	<p>1 Q. Do you know why there is an X on these pages?</p> <p>2 A. We finished that stage.</p> <p>3 Q. I gotcha.</p> <p>4 A. It's very confusing which stage you're on,</p> <p>5 and you do not want to be in the wrong place.</p> <p>6 Q. When you get done with the stage, you put an</p> <p>7 X on it?</p> <p>8 A. Yes.</p> <p>9 Q. That's good.</p> <p>10 (Whereupon, Deposition Exhibit 15 was marked</p> <p>11 for identification.)</p> <p>12 Q. If you take a look at Exhibit 15, are these</p> <p>13 more of the field tickets?</p> <p>14 A. Yes.</p> <p>15 Q. Am I correct that, if I were to look at the</p> <p>16 upper right-hand corner, I would be able to determine</p> <p>17 if it's a two- or three-man crew?</p> <p>18 A. Yes.</p> <p>19 MR. CHIVERS: I'll show you 16.</p> <p>20 (Whereupon, Deposition Exhibit 16 was marked</p> <p>21 for identification.)</p> <p>22 Q. If you take a look at 16, are those more of</p> <p>23 the driver's logs?</p> <p>24 A. Yes.</p> <p>25 Q. And I asked you before if you would expect to</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

54 (Pages 210 to 213)

210	<p>1 see a description of where people are or where people</p> <p>2 have driven on these daily logs. I think you said,</p> <p>3 yes?</p> <p>4 A. Yes.</p> <p>5 Q. Take a look at the first page of Exhibit 16,</p> <p>6 which is Bates 18356. Now, it does say three hours</p> <p>7 driving. Correct?</p> <p>8 A. Yes.</p> <p>9 Q. Can you tell where this guy is driving?</p> <p>10 A. No.</p> <p>11 Q. I can't either.</p> <p>12 What you're saying is, this doesn't -- you</p> <p>13 would expect to see --</p> <p>14 A. If it was filled out properly, he would have</p> <p>15 noted where he started it, where he did his pretrip.</p> <p>16 And so it's not filled out properly.</p> <p>17 Q. Take a look at the next page. This is Rusty</p> <p>18 Smith. 18357 is the Bates number.</p> <p>19 And it says that he's got three and a half</p> <p>20 hours of driving. Correct?</p> <p>21 A. Correct.</p> <p>22 Q. Can you tell where he drove?</p> <p>23 A. I cannot. Once again, it's not filled out</p> <p>24 correctly.</p> <p>25 Q. Then, if you take a look at the next page,</p>	212	<p>1 A. Probably, yes.</p> <p>2 MR. CHIVERS: 17, I think, is more what we</p> <p>3 were looking at before, but I want to confirm.</p> <p>4 (Whereupon, Deposition Exhibit 17 was marked</p> <p>5 for identification.)</p> <p>6 Q. Take a look at Exhibit 17. Are these more</p> <p>7 field tickets?</p> <p>8 A. This is actually a credit for an overcharge,</p> <p>9 so this is just a form of paperwork. It's a field</p> <p>10 ticket, but it wasn't generated in the field.</p> <p>11 Q. All right. Now, if you take a look at 23779,</p> <p>12 is this a field ticket?</p> <p>13 A. Yes.</p> <p>14 Q. It identifies a two-man crew?</p> <p>15 A. Yes.</p> <p>16 Q. And similarly, the next one, 23780,</p> <p>17 identifies a two-man crew?</p> <p>18 A. Correct.</p> <p>19 Q. Am I correct, at least on 23779, that that</p> <p>20 job on site was an eight-hour -- they were eight hours</p> <p>21 on site?</p> <p>22 A. Yes.</p> <p>23 Q. All right. Then take a look at 23781, a</p> <p>24 couple pages further in. Do you see that?</p> <p>25 A. Yes.</p>
211	<p>1 18358, it says he drove for an hour, did a pretrip and</p> <p>2 a post-trip, but I don't see any indication where. Do</p> <p>3 you?</p> <p>4 A. Same guy.</p> <p>5 Q. I know.</p> <p>6 A. He still doesn't know how to fill one out.</p> <p>7 Q. Okay. A question for you -- And look. I</p> <p>8 don't pretend to say this is necessarily the way</p> <p>9 everybody was doing it. But my question is: Is there</p> <p>10 any way that you have had, over the past five years, of</p> <p>11 auditing or otherwise examining your employees' daily</p> <p>12 logs to see if they're being filled out properly?</p> <p>13 A. I have a guy doing it now, but three years</p> <p>14 ago, probably not.</p> <p>15 Q. Two years ago?</p> <p>16 A. Probably not.</p> <p>17 Q. One year ago?</p> <p>18 A. I don't remember when he came onboard, but we</p> <p>19 regularly audit them now.</p> <p>20 Q. Now?</p> <p>21 A. Now.</p> <p>22 Q. Okay. What you're saying to me is that, if I</p> <p>23 looked at a record two years or three years old, I</p> <p>24 shouldn't be surprised to find people who are not</p> <p>25 filling out their logs properly?</p>	213	<p>1 Q. What is that?</p> <p>2 A. It's an invoice.</p> <p>3 Q. Now, would there be an invoice -- who's Hilda</p> <p>4 Cassady?</p> <p>5 A. That's my wife.</p> <p>6 Q. There you go.</p> <p>7 Would there be an invoice for every -- what?</p> <p>8 You tell me.</p> <p>9 A. Every field ticket.</p> <p>10 Q. Thank you.</p> <p>11 That was what I was wondering. So every</p> <p>12 field ticket has an invoice?</p> <p>13 A. Every field ticket gets input into</p> <p>14 QuickBooks, and QuickBooks generates an invoice from</p> <p>15 the field ticket. I'm not going to say that every</p> <p>16 invoice -- every field ticket becomes an invoice,</p> <p>17 because if they mess up on one, they X it out, and it</p> <p>18 won't become an invoice.</p> <p>19 Q. What you're saying is that the field ticket</p> <p>20 goes into QuickBooks; QuickBooks generates an invoice?</p> <p>21 A. Correct.</p> <p>22 Q. The invoice goes to the customer?</p> <p>23 A. Correct.</p> <p>24 Q. And, hopefully, money comes back?</p> <p>25 A. It generally does.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

55 (Pages 214 to 217)

214	<p>1 Q. Your industry is pretty good about that?</p> <p>2 A. Well, I would say so. I don't know what the</p> <p>3 other industries are.</p> <p>4 Q. Do you get paid in 30 days? 60 days?</p> <p>5 A. Generally, 60 days is where we want to see</p> <p>6 our pay. We want it immediately. And I do have</p> <p>7 customers that pay us before we do the work, so --</p> <p>8 Q. Okay.</p> <p>9 A. I've had other customers that don't ever want</p> <p>10 to pay us at all.</p> <p>11 MR. CHIVERS: That's number 17. I'm going to</p> <p>12 go get the final package of stuff.</p> <p>13 (Recess taken.)</p> <p>14 Q. Sir, I'm going to give you these documents.</p> <p>15 I'm going to represent to you that these documents from</p> <p>16 Bates number 26490 to 26559, some 120 pages -- no, some</p> <p>17 60 pages -- 70, 70 pages, yep, 70 pages -- I'm going to</p> <p>18 represent to you that these are the documents that were</p> <p>19 given to us as part of the production of documents by</p> <p>20 your attorneys.</p> <p>21 A. Okay.</p> <p>22 Q. And it was represented to us that this was</p> <p>23 Mr. Tvrdivsky's personnel file. Okay?</p> <p>24 A. Okay.</p> <p>25 Q. All right. Now, I'm going to give you that.</p>	216	<p>1 A. I did not see it, no.</p> <p>2 Q. Then, if you would take a look at that page</p> <p>3 that I have tabbed --</p> <p>4 A. Okay.</p> <p>5 Q. Just fold it over. What document number is</p> <p>6 that?</p> <p>7 A. 26507.</p> <p>8 Q. And 26507, what is that form?</p> <p>9 A. That's the personal action form, when he was</p> <p>10 hired.</p> <p>11 Q. And what does it say about his job title?</p> <p>12 A. That he's a junior operator.</p> <p>13 Q. All right. So his job title, when he was</p> <p>14 working for you guys, was junior operator. Correct?</p> <p>15 A. Correct.</p> <p>16 MR. CHIVERS: All right. What I'll do, I'll</p> <p>17 make -- do we need exhibits -- because we've</p> <p>18 identified the specific pages?</p> <p>19 MR. ANTKOWIAK: I don't think we need them.</p> <p>20 I mean, the page numbers are in the record. I</p> <p>21 don't have an issue with that. If you just want</p> <p>22 to mark, generally, his personnel file as whatever</p> <p>23 next in the order, that's fine, too.</p> <p>24 MR. CHIVERS: It's so many pages, although --</p> <p>25 yes, let's do that. I'll make some copies, and</p>
215	<p>1 And I have a question for you -- I'm going to have a</p> <p>2 number of questions, but I'm going to give you a couple</p> <p>3 minutes.</p> <p>4 Find someplace in that personnel file, what</p> <p>5 we've been told is a personnel file, that says "SSE."</p> <p>6 Okay?</p> <p>7 A. Okay. I doubt it's in there.</p> <p>8 Q. Well, confirm. I don't want -- I appreciate</p> <p>9 you're saying you doubt it's in there, but you let me</p> <p>10 know if you can find anything in there.</p> <p>11 (Recess taken.)</p> <p>12 Q. I'd asked you, sir, to go through the</p> <p>13 documents that are -- at least we've been told are</p> <p>14 Mr. Tvrdivsky's personnel file and to identify anyplace</p> <p>15 you can find short-service employee, anything like</p> <p>16 that.</p> <p>17 What page do you have there?</p> <p>18 A. 26544.</p> <p>19 Q. And what's the date on that document, if you</p> <p>20 can find out?</p> <p>21 A. I do not know. It doesn't have a date. It</p> <p>22 has a date that they started filling this form out,</p> <p>23 which is 10/29/12.</p> <p>24 Q. Yeah. Okay. Can you find anyplace else that</p> <p>25 it uses the term "short-service employee"?</p>	217	<p>1 that will be Exhibit 18.</p> <p>2 ---</p> <p>3 (Whereupon, Deposition Exhibit 18 was marked</p> <p>4 for identification.)</p> <p>5 MR. ANTKOWIAK: That's fine.</p> <p>6 MR. CHIVERS: I'll make that an exhibit.</p> <p>7 BY MR. CHIVERS:</p> <p>8 Q. Am I correct -- if you want to say this right</p> <p>9 now -- in the production of documents -- I assume you</p> <p>10 were involved in the production, because I see you</p> <p>11 verified, on page 20 of Exhibit 4 -- on page 20 of</p> <p>12 Exhibit 4, I assume that's your signature?</p> <p>13 A. Yes, it is.</p> <p>14 Q. All right. Are you aware of whether any</p> <p>15 documents were provided, for example, either pay</p> <p>16 documents or hours, like field tickets, for Randy</p> <p>17 Tvrdivsky?</p> <p>18 A. I would have assumed that we gave you all of</p> <p>19 the field tickets, so I assume that the ones that he</p> <p>20 was on would have been in those field tickets.</p> <p>21 Q. It's an assumption?</p> <p>22 A. It's an assumption.</p> <p>23 Q. Yeah, same as mine --</p> <p>24 A. Right.</p> <p>25 Q. -- because we got thousands and thousands of</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassidy

56 (Pages 218 to 221)

218	220
<p>1 pages of documents. And I haven't been able to find 2 it. All right? 3 A. Okay. 4 Q. I have a request, which is if you could find 5 Mr. Tvrdovsky's documents, all right, his specific -- 6 like his field tickets and his -- I haven't seen his 7 pay records either. I haven't. I don't know if 8 that's -- because I expected to see his pay -- 9 Are they mixed in there? 10 MR. ANTKOWIAK: What specific request did 11 they fall under? 12 MR. CHIVERS: I'll tell you in a moment. 13 18. Interrogatory 18 and -- that's where I 14 wanted to see any bonuses that he was paid. Then, 15 in part of our document requests, number 1 -- 16 request 27. 17 MR. ANTKOWIAK: That doesn't seem, at least 18 in my mind, to cover the pay records. 19 MR. CHIVERS: 27? 20 MR. ANTKOWIAK: 27, the number of days and 21 hours or minutes plaintiff and putative class 22 members worked in Pennsylvania. 23 MR. CHIVERS: That might be the 24 interrogatory. But anyway, here's the request 25 that I sent you back on February 24. Request 27.</p>	<p>1 folks were paid a salary for all hours worked and 2 we have the bonus calculation -- so for purposes 3 of the similarly situated analysis and Rule 23 4 factors, I don't know why we'd produce that at 5 this juncture. Certainly, I understand and would 6 produce that at a later stage, in merits and 7 damages discovery. 8 MR. CHIVERS: Here's the reason: First, it's 9 a 216(b) conditional class. This is not the 10 Rule 23 phase right now. 11 MR. ANTKOWIAK: Sure. 12 MR. CHIVERS: Secondly, to the extent, 13 always, that the defendant is going to assert that 14 the plaintiff -- the purported representative 15 plaintiff is able to represent a group of people, 16 then the extent to which he is paid in a manner 17 similar to the other similarly situated employees 18 is highly relevant. 19 I mean, I asked for that information for the 20 specific reason that I wanted to be able to see if 21 Curtis were paid in a manner similar to the other 22 wireline operators. I can't do that unless I have 23 those records. 24 MR. ANTKOWIAK: What would you need aside 25 from a stipulation that states they're paid a</p>
219	221
<p>1 Whatever the reason -- I assume it's an 2 oversight -- you guys went up through the 3 interrogatories, but you didn't pick up on the 4 requests. I specifically asked for the pay 5 information. 6 MR. ANTKOWIAK: Well, our response directs 7 you to the personnel file that provides that pay 8 information and rates. 9 Are you looking for, specifically, paystubs, 10 or what is it, specifically, that you're looking 11 for? 12 MR. CHIVERS: I mean, typically, what you're 13 going to look for -- I mean, I assume you guys pay 14 people and give them statements of some kind. 15 THE WITNESS: Yes. 16 Q. What do you call those, pay statements? 17 A. That's a good phrase for it. 18 MR. CHIVERS: That's what I expected to see. 19 I haven't had a case where I get anything else. 20 MR. ANTKOWIAK: I mean, because, to be honest 21 with you, my initial thought at least, in the 22 first phase for purposes of class certification or 23 Rule 23, I don't know how that would be relevant 24 at this point. 25 Of course, you know, we'd stipulate that</p>	<p>1 salary, bonus, and we give you the bonus 2 calculations? 3 MR. CHIVERS: What I need is something that 4 allows me -- because I know this is an argument 5 that defendant is making, that somehow Curtis is 6 not representative of anybody other than junior 7 wireline operators. 8 So to the extent -- that's all I got, by the 9 way, on your production. I just got a list. 10 That's why -- in fact, yeah, that was one of our 11 exhibits. Right? 12 In the exhibit -- what was that, 7, John? 13 MR. LINKOSKY: 7 was driver logs, 7 to 12 14 were driver logs. 15 MR. CHIVERS: Here you go. Exhibit 11. See? 16 That's all I got. You see? We had discussions 17 about this. 18 MR. ANTKOWIAK: Right. But my point is that, 19 we will stipulate to the individuals who were paid 20 a salary and bonus. And if in stipulating that -- 21 I'm not sure what you think you would need the 22 paystubs for at this stage in addition to that 23 stipulation. 24 Perhaps -- we can talk more about this off 25 the record, but at least at this juncture, I'm not</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

57 (Pages 222 to 225)

222	<p>1 sure what else you get from that in light of our</p> <p>2 offer to stipulate, because that would at least, I</p> <p>3 believe, show that all of these individuals,</p> <p>4 regardless whether it's junior operator or</p> <p>5 operator, were, in fact, paid a salary and a</p> <p>6 bonus, which is, I think, what you're looking for</p> <p>7 to, I think, glean from those pay records.</p> <p>8 MR. CHIVERS: What I'm also looking to do is</p> <p>9 to be prepared for what I think is an argument to</p> <p>10 be made, which is that Curtis Tvrdivsky can only</p> <p>11 represent junior wireline operators for purposes</p> <p>12 of conditional notice. I mean, I understand that's</p> <p>13 your argument.</p> <p>14 My argument, on the other hand, is that he is</p> <p>15 representative of all of the riggers, right, not</p> <p>16 just the junior guys but anybody that has the</p> <p>17 title of wireline operator or some title similar</p> <p>18 to that. And the only way I can do that is to be</p> <p>19 able to establish that, based on his pay, right,</p> <p>20 he was treated the same as any other wireline</p> <p>21 operator. But I can't do that without the</p> <p>22 records. I have to be able to see the records.</p> <p>23 MR. ANTKOWIAK: Are you suggesting, then,</p> <p>24 that you want the pay records for every person</p> <p>25 that's a potential class member aside from just</p>	224	<p>1 MR. CHIVERS: Because -- why don't you get me</p> <p>2 his pay records? All right? Get me his pay</p> <p>3 records and the extent to which we have -- you</p> <p>4 have any of his logs, which I would assume --</p> <p>5 because that's clearly within the scope of what I</p> <p>6 asked for, both in the interrogatories and the</p> <p>7 requests.</p> <p>8 MR. ANTKOWIAK: I will say this: On the</p> <p>9 separate issue of the logs, I mean, you have the</p> <p>10 records. We have the records. We're both capable</p> <p>11 of doing the same search for the records.</p> <p>12 I can go back and confirm that we're not</p> <p>13 aware of any records that we failed to produce,</p> <p>14 but I'm not going to have somebody go back and</p> <p>15 comb through thousands of pages just to identify</p> <p>16 some individual. I mean, you could -- your staff</p> <p>17 can do the exact same with the documents just as</p> <p>18 we can. We both have equal access to the</p> <p>19 documents in that respect, so --</p> <p>20 MR. CHIVERS: Here's the difference: We</p> <p>21 didn't assemble them. All we did was receive</p> <p>22 them. I mean, I don't know about you, but,</p> <p>23 typically, when I assemble documents, I know what</p> <p>24 I'm assembling.</p> <p>25 So all I'm asking is, tell me -- you know,</p>
223	<p>1 Tvrdivsky?</p> <p>2 MR. CHIVERS: No.</p> <p>3 MR. ANTKOWIAK: Just Tvrdivsky's?</p> <p>4 MR. CHIVERS: At this point, just</p> <p>5 Tvrdivsky's, yes.</p> <p>6 Look. I just expected that they would be in</p> <p>7 there. I did request that, you can see, in</p> <p>8 request 27.</p> <p>9 MR. ANTKOWIAK: Well, you know, look. I</p> <p>10 mean, that's the way that we responded to it.</p> <p>11 This is the first time, as I understand it, that</p> <p>12 we've had pushback on this particular request with</p> <p>13 respect to his pay records.</p> <p>14 I mean, my position here today would be that</p> <p>15 the pay records aren't relevant for purposes of</p> <p>16 216(b) or Rule 23 certification. And that in</p> <p>17 light of the fact that we're also willing to</p> <p>18 stipulate that he and however many other</p> <p>19 individuals were paid a salary and bonus, I think</p> <p>20 moots the issue that you would want to otherwise</p> <p>21 use those pay records to establish similarly</p> <p>22 situated, you know, under the 216(b) standard,</p> <p>23 but --</p> <p>24 MR. CHIVERS: Why don't we compromise?</p> <p>25 MR. ANTKOWIAK: On what basis?</p>	225	<p>1 send me an e-mail -- send me an e-mail. Tell me</p> <p>2 that his pay records and his time records are not</p> <p>3 included in the production, and then, would you</p> <p>4 get them for me?</p> <p>5 MR. ANTKOWIAK: Well, I can tell you that the</p> <p>6 pay records are not -- as I'm aware, are not</p> <p>7 included in the production. Again, I don't see</p> <p>8 how those are relevant. So I'll at least take</p> <p>9 that issue back, discuss it with Mariah and Kevin</p> <p>10 and get you an answer to that issue.</p> <p>11 I can tell you that, at this point in time,</p> <p>12 I'm not going to go through and look to try to</p> <p>13 find and identify Tvrdivsky's specific tickets in</p> <p>14 the documents. I think we both have equal access</p> <p>15 to these files.</p> <p>16 MR. CHIVERS: I didn't say the tickets. I</p> <p>17 didn't say the tickets. What I want, if you have</p> <p>18 any of the logs, I have some --</p> <p>19 MR. ANTKOWIAK: The driver's logs?</p> <p>20 MR. CHIVERS: Yeah, the driver's logs.</p> <p>21 MR. ANTKOWIAK: Right.</p> <p>22 MR. CHIVERS: And his actual pay statements,</p> <p>23 because your witness today is saying that the pay</p> <p>24 statements will identify bonuses, for example.</p> <p>25 Okay?</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

58 (Pages 226 to 229)

226	<p>1 MR. ANTKOWIAK: Uh-huh.</p> <p>2 MR. CHIVERS: And as I recall, even will</p> <p>3 identify whether it's a SSE bonus or just a</p> <p>4 regular bonus.</p> <p>5</p> <p>6 BY MR. CHIVERS:</p> <p>7 Q. Am I correct, sir?</p> <p>8 A. It will define what the bonus is paid on his</p> <p>9 pay record, only in an amount. I don't know that it</p> <p>10 will tell how that was derived.</p> <p>11 Q. Fair enough.</p> <p>12 In other words, whether -- it won't</p> <p>13 necessarily say that he was an SSE or a junior wireline</p> <p>14 operator or anything like that?</p> <p>15 A. Right.</p> <p>16 Q. Okay.</p> <p>17 A. Or how the bonus was calculated. All it's</p> <p>18 going to give is a dollar amount that he was paid, or</p> <p>19 if he was paid any.</p> <p>20 Q. And for me to determine whether he was paid</p> <p>21 the same bonus as the other wireline operators on that</p> <p>22 job, I would then need to be able to identify -- I</p> <p>23 would need to be able to look at what, the bonus</p> <p>24 sheets?</p> <p>25 A. Yeah.</p>	228	<p>1 bonus, so --</p> <p>2 MR. CHIVERS: Fair enough.</p> <p>3 MR. ANTKOWIAK: So outside of that, I'm not</p> <p>4 sure why we need to go back and dig through at</p> <p>5 this stage, which is not to say that we're</p> <p>6 rejecting to providing that at a later stage. It</p> <p>7 just seems burdensome now.</p> <p>8 BY MR. CHIVERS:</p> <p>9 Q. Fair to say -- Let me ask the witness. Is it</p> <p>10 fair to say, sir, that Mr. Tvrdoovsky was paid in the</p> <p>11 same method, the same basic method, which was salary</p> <p>12 plus bonus, as the other salaried employees?</p> <p>13 A. Yes, but at a different rate.</p> <p>14 Q. "At a different rate" meaning at a different</p> <p>15 bonus rate?</p> <p>16 A. Different bonus rate, yes.</p> <p>17 Q. And that, obviously, is what I would want to</p> <p>18 be able to confirm through the records.</p> <p>19 A. One thing about the driver's logs, we're not</p> <p>20 required to keep those logs indefinitely. Now, since</p> <p>21 the lawsuit started, we have not gotten rid of any</p> <p>22 driver's logs. But DOT regulations say we only have to</p> <p>23 hold them for a certain amount of time. And it's</p> <p>24 possible that that -- I'll have to go back and look at</p> <p>25 his in particular, but that could be the reason they're</p>
227	<p>1 Q. Is that right?</p> <p>2 A. Yes.</p> <p>3 MR. CHIVERS: Maybe that's what I'll do then.</p> <p>4 MR. ANTKOWIAK: I believe you have bonus</p> <p>5 sheets.</p> <p>6 MR. CHIVERS: Okay.</p> <p>7 MR. ANTKOWIAK: We used one as an exhibit</p> <p>8 today, so I'm assuming that you have -- it's my</p> <p>9 understanding that we have produced all of the --</p> <p>10 I mean, the records we've identified -- we're not</p> <p>11 holding anything back as far as I'm aware of,</p> <p>12 so --</p> <p>13 MR. CHIVERS: That's fair. That's fair.</p> <p>14 Let's at least -- can we agree, get me his</p> <p>15 pay statements and his logs, if you have them? I</p> <p>16 honestly think I'm going to need those for my</p> <p>17 motion.</p> <p>18 MR. ANTKOWIAK: Okay. Well, I mean, look.</p> <p>19 Like I said, just give me a day to consider that</p> <p>20 because my position is, as I've said a number of</p> <p>21 times now, I don't see how that information is</p> <p>22 relevant to certification. If the issue is that</p> <p>23 he was paid similar to other folks holding</p> <p>24 different titles, I mean, we're willing to</p> <p>25 stipulate to, you know, who was paid a salary and</p>	229	<p>1 not -- that he didn't have any driver's logs.</p> <p>2 MR. CHIVERS: You know, and what, Christian,</p> <p>3 you're saying to me is that, if the logs --</p> <p>4 whether they're there or not -- presumably, we</p> <p>5 would be able to dig through those documents and</p> <p>6 find field tickets, right, and/or job reports that</p> <p>7 would identify Mr. Tvrdoovsky?</p> <p>8 MR. ANTKOWIAK: If he filled one out. Do you</p> <p>9 see what I'm saying? If there is one that exists,</p> <p>10 it's my understanding that it would be in the</p> <p>11 production, if we had that in our possession.</p> <p>12 MR. CHIVERS: Okay.</p> <p>13 MR. ANTKOWIAK: And if it's not in the</p> <p>14 documents we've given to you -- I'm saying we</p> <p>15 haven't held anything back.</p> <p>16 MR. CHIVERS: That's fair.</p> <p>17 MR. ANTKOWIAK: So I have no reason to</p> <p>18 believe that we actually have it.</p> <p>19 MR. CHIVERS: All right. If you would,</p> <p>20 confirm that.</p> <p>21 MR. ANTKOWIAK: Sure.</p> <p>22 MR. CHIVERS: And you must have his pay</p> <p>23 statements. You have to have those. I can't</p> <p>24 believe that --</p> <p>25 MR. ANTKOWIAK: I'm sure we do.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

59 (Pages 230 to 233)

230	<p>1 BY MR. CHIVERS:</p> <p>2 Q. Okay. All right. Now, having said all that,</p> <p>3 I've identified those pages. You've identified the two</p> <p>4 pages for me with the Bates number.</p> <p>5 Now let me just ask you a couple questions.</p> <p>6 And I think we're very close to being finished. I'm</p> <p>7 going to show you driver's logs that I just got in</p> <p>8 myself. I'm going to be copying these for you guys.</p> <p>9 I'm going to represent to you, as far as I</p> <p>10 can, these are Mr. Tvrdovsky's for November of 2012,</p> <p>11 December of 2012, and February of 2013. Okay? Those</p> <p>12 are the representations I'll make. I have no reason to</p> <p>13 question both what my client has told me and what is</p> <p>14 evident from looking at the logs.</p> <p>15 Do you recognize those documents generally,</p> <p>16 what they are?</p> <p>17 A. Driver's logs.</p> <p>18 Q. All right. And those are the driver's</p> <p>19 logs -- an example of driver's logs that we have been</p> <p>20 talking about today?</p> <p>21 A. Yes.</p> <p>22 Q. All right. If you could just take a look --</p> <p>23 flip through, if you would, because I just have some</p> <p>24 general questions for you. As I say, I'm going to</p> <p>25 represent these are Mr. Tvrdovsky's.</p>	232	<p>1 of these probably by tomorrow.</p> <p>2 MR. ANTKOWIAK: That's fine.</p> <p>3 Q. Let me ask you a question, sir, while you're</p> <p>4 looking at them. When you bring a new employee in,</p> <p>5 he's required to attend classes?</p> <p>6 A. Correct.</p> <p>7 Q. And I believe that you can see some of that</p> <p>8 was reflected in Mr. Tvrdovsky's personnel file?</p> <p>9 A. Correct.</p> <p>10 Q. Generally, those classes are completed within</p> <p>11 the first month?</p> <p>12 A. Generally, yes.</p> <p>13 Q. And generally, after the first month, the new</p> <p>14 employee, the junior wireline operator, such as</p> <p>15 Mr. Tvrdovsky, are then assigned to crews?</p> <p>16 A. No.</p> <p>17 Q. When do they get assigned to crews?</p> <p>18 A. They may not ever be assigned to a certain</p> <p>19 crew, but once they've -- toward the end of their SSE</p> <p>20 project, once they've gone through certain check-offs</p> <p>21 on that SSE check-off list --</p> <p>22 Q. Okay. Now, having said that, is there a set</p> <p>23 time before they're actually assigned to a site on a</p> <p>24 crew?</p> <p>25 A. No.</p>
231	<p>1 Sir, from what you can tell as you look at</p> <p>2 these logs, does Mr. Tvrdovsky identify where he was on</p> <p>3 a particular day?</p> <p>4 A. On some of them it does, it looks like.</p> <p>5 Q. Like, it says, "Ruffs Dale"?</p> <p>6 A. Yes.</p> <p>7 Q. Class, it defines what he was doing, or at</p> <p>8 least generally.</p> <p>9 Take a look at that page. It says -- is it</p> <p>10 "Ruffs Dale" --</p> <p>11 A. Uh-huh.</p> <p>12 Q. -- shop?</p> <p>13 A. Yes.</p> <p>14 Q. And then, it says something about, "drive to"</p> <p>15 wherever?</p> <p>16 A. Yes.</p> <p>17 Q. Then, if you would, jump ahead and take --</p> <p>18 MR. ANTKOWIAK: If you don't mind, before we</p> <p>19 move on, this is -- because it's not</p> <p>20 Bates-numbered. The date, 11/12/12, just for</p> <p>21 purposes of future reference.</p> <p>22 MR. CHIVERS: Correct.</p> <p>23 BY MR. CHIVERS:</p> <p>24 Q. Take a look at December's logbook.</p> <p>25 MR. CHIVERS: Christian, I'll get you copies</p>	233	<p>1 Q. Okay. Is it fair to say it's based on the</p> <p>2 needs of the organization?</p> <p>3 A. Yes.</p> <p>4 Q. And based on the person's showing that he's</p> <p>5 capable?</p> <p>6 A. It depends on what form that he goes out in.</p> <p>7 If he's out for a Shell -- for a Shell customer, I</p> <p>8 can't send him out until six months without a certain</p> <p>9 amount of other people going with him. So he has to go</p> <p>10 out as an extra guy always.</p> <p>11 Q. Like the fourth guy?</p> <p>12 A. Like the fourth guy.</p> <p>13 Q. Okay. So if you look at the log -- in</p> <p>14 particular, turn to February, the next logbook. You</p> <p>15 see where it says "Frankhouser"?</p> <p>16 A. Yes.</p> <p>17 Q. Do you know what Frankhouser is?</p> <p>18 A. No, I don't.</p> <p>19 Q. If I represent to you that Frankhouser is a</p> <p>20 well site near Montrose, Pennsylvania, does that name</p> <p>21 mean anything to you, Montrose?</p> <p>22 A. I know that it's a town in Pennsylvania,</p> <p>23 so --</p> <p>24 Q. Do you know whether there's a well site, a</p> <p>25 Frankhouser well site in Montrose?</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

60 (Pages 234 to 237)

234	<p>1 A. I do not.</p> <p>2 Q. If you look through the log, you'll see a</p> <p>3 bunch of entries for Frankhouser. Do you see that?</p> <p>4 A. Yes.</p> <p>5 Q. Now, do you also see there -- a few more</p> <p>6 pages and I think you'll see where it says, "night</p> <p>7 shift."</p> <p>8 A. Okay.</p> <p>9 Q. What's the date for the Frankhouser night</p> <p>10 shift? There are a few of them.</p> <p>11 A. 2/12, 2/13.</p> <p>12 Q. And the year is 2013. Correct?</p> <p>13 A. Yes.</p> <p>14 Q. All right.</p> <p>15 A. 2/14, 2/15. That seems to be all of them.</p> <p>16 Q. Would you agree with me, sir, that night</p> <p>17 shifts are not performed at the shop?</p> <p>18 A. Correct.</p> <p>19 Q. All right. So if it says "night shift," it</p> <p>20 means he was -- it means Mr. Tvrdozsky was out at the</p> <p>21 site?</p> <p>22 A. Yes. Probably, yes.</p> <p>23 Q. Okay. What you've said today is that one</p> <p>24 could go from -- or should I say, you could then take a</p> <p>25 look at the job orders and the field tickets</p>	236	<p>1 done.</p> <p>2 A. Okay.</p> <p>3 Q. Take a look at the second page, Bates number</p> <p>4 14419. Do you see that?</p> <p>5 A. Yes.</p> <p>6 Q. We talked about this briefly. And you were</p> <p>7 explaining that the bonus is calculated based on time?</p> <p>8 A. Correct.</p> <p>9 Q. Did you develop that -- did you develop the</p> <p>10 formula?</p> <p>11 In other words -- I'll be honest with you.</p> <p>12 We were trying to figure this out. We were doing some</p> <p>13 kind of back-of-the-envelope calculations.</p> <p>14 A. Right.</p> <p>15 Q. We couldn't figure it out.</p> <p>16 So if you would, let's just take -- I got it.</p> <p>17 I got it. Take a look at Mike Stratton.</p> <p>18 A. Okay.</p> <p>19 Q. Right?</p> <p>20 You see where it says, "Mike Stratton, 54</p> <p>21 total time." Right?</p> <p>22 A. Yes.</p> <p>23 Q. \$161.05?</p> <p>24 A. Okay.</p> <p>25 Q. Now, look. If all I did was take 54 and</p>
235	<p>1 corresponding to those dates and, presumably, identify</p> <p>2 the fact that Mr. Tvrdozsky was at a site?</p> <p>3 A. Yes.</p> <p>4 Q. All right. And presumably, then, also</p> <p>5 identify who else was on the crew?</p> <p>6 A. Yes.</p> <p>7 Q. Because, as you indicated to me when we were</p> <p>8 looking through those documents, in the upper</p> <p>9 right-hand corner of these field tickets like</p> <p>10 Exhibit 13 it will identify the operator, who's the</p> <p>11 engineer, and the riggers, who are the wireline</p> <p>12 operators?</p> <p>13 A. Yes. I probably wouldn't use that document</p> <p>14 to identify who was on the site. I would use the job</p> <p>15 report document.</p> <p>16 Q. Okay. All right. You indicated -- you take</p> <p>17 a look -- I'm done with those.</p> <p>18 MR. CHIVERS: And I'll get you the copies.</p> <p>19 Okay?</p> <p>20 MR. ANTKOWIAK: That's fine. Thank you.</p> <p>21 Q. You indicated, when you were looking at</p> <p>22 Exhibit 14 -- could you look at Exhibit 14 for a</p> <p>23 moment?</p> <p>24 MR. CHIVERS: And then John and I are going</p> <p>25 to step outside, and I think we're just about</p>	237	<p>1 divide it into \$161, I come up with like \$3 an hour.</p> <p>2 A. All right.</p> <p>3 Q. Is that what you do?</p> <p>4 A. No. We take the total number of hours that</p> <p>5 were on the job and divide it into the -- take the</p> <p>6 total number of hours, divide it into the 4 percent</p> <p>7 that are going to get paid to the operators, and that's</p> <p>8 going to give you the hourly rate that we pay.</p> <p>9 Q. It will give you the additional amount that</p> <p>10 was paid?</p> <p>11 A. Yes.</p> <p>12 Q. So correct me if I'm wrong. This is going to</p> <p>13 vary -- it's going to go up and down -- depending upon</p> <p>14 how much money is paid. Right?</p> <p>15 A. Yes.</p> <p>16 Q. How much money is charged and paid and how</p> <p>17 many hours, total hours, were devoted by a crew?</p> <p>18 A. By a crew member, yes.</p> <p>19 Q. By the one crew member or by all the crew</p> <p>20 members?</p> <p>21 A. It's the total percentage that we're going to</p> <p>22 pay to the riggers divided by the number of hours that</p> <p>23 they were on location, by the total number of hours,</p> <p>24 operating hours.</p> <p>25 Q. Yeah. The total number of hours represented</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

61 (Pages 238 to 241)

238	240
<p>1 by all the crew members?</p> <p>2 A. Correct.</p> <p>3 (Discussion off the record.)</p> <p>4 Q. Take a look at the bottom of this page,</p> <p>5 14419. See where it says, "total engineer hours"?</p> <p>6 A. Yes.</p> <p>7 Q. All right. Now, the engineer hours</p> <p>8 correspond to your engineer slash -- we'll just call</p> <p>9 them engineers right now, because that seems to be the</p> <p>10 term that we're using; the guy, basically, that's</p> <p>11 running the crew. Correct?</p> <p>12 A. Yes. Yes.</p> <p>13 Q. So you take the 171 total engineer's hours,</p> <p>14 and then what you've got to do is you've got to -- I</p> <p>15 guess, before you do anything with that number, you got</p> <p>16 to figure out the total amount that's been paid.</p> <p>17 Right?</p> <p>18 A. Job paid.</p> <p>19 Q. There we go. \$25,350. Right?</p> <p>20 A. Correct.</p> <p>21 Q. \$25,350.</p> <p>22 All right. Now, do you take 4 percent of</p> <p>23 that?</p> <p>24 A. Yes.</p> <p>25 Q. Okay. So that's -- 1 percent would be \$253</p>	<p>1 Now, how in the heck -- Wait a second. It's</p> <p>2 a proportionate amount?</p> <p>3 A. Yes.</p> <p>4 Q. That's what it is. It's a proportionate</p> <p>5 amount.</p> <p>6 So if somebody -- Dave Noel put in 91, and</p> <p>7 the total number of hours are 170. Right?</p> <p>8 A. Right. You take that \$5.96 and multiply it</p> <p>9 times 91, and you're going to come up with \$542.</p> <p>10 Q. Well, there's another way to do it, too.</p> <p>11 A. Yeah.</p> <p>12 Q. You could take 53 and a half percent .535,</p> <p>13 times \$1,014, and you probably come up -- you do; I'm</p> <p>14 sure -- with the amount that he got. Okay?</p> <p>15 A. Uh-huh.</p> <p>16 Q. Yep. All right. Yep. \$542.79. Okay?</p> <p>17 A. Yes.</p> <p>18 Q. All right. So they get a proportionate share</p> <p>19 of the bonus that has been allocated, first, to the</p> <p>20 engineers. Right?</p> <p>21 A. Right.</p> <p>22 Q. And then, 2 percent is allocated to the</p> <p>23 wireline -- to the operators?</p> <p>24 A. Yes.</p> <p>25 Q. Correct?</p>
239	241
<p>1 basically, and you'll take that by four. \$1,012,</p> <p>2 right?</p> <p>3 A. Yes.</p> <p>4 Q. About?</p> <p>5 A. \$1,014 is what it came out to.</p> <p>6 Q. Thank you.</p> <p>7 In fact, it even shows that, \$1,014; doesn't</p> <p>8 it?</p> <p>9 A. Yes.</p> <p>10 Q. And what do you do? You take the \$1,014</p> <p>11 divided by what?</p> <p>12 A. By the total number of hours.</p> <p>13 Q. Total number of engineer hours?</p> <p>14 A. Yes.</p> <p>15 Q. So it's \$1,014 divided by 170, and that comes</p> <p>16 out to like, what?</p> <p>17 (Discussion off the record.)</p> <p>18 Q. So if you take the \$1,014 and you divide it</p> <p>19 by 170 -- Okay?</p> <p>20 A. Yes.</p> <p>21 Q. That's \$5.96. All right? I'm just telling</p> <p>22 you.</p> <p>23 A. Okay.</p> <p>24 Q. My calculator has always been right. So</p> <p>25 that's \$5.96.</p>	<p>1 A. Yes.</p> <p>2 Q. And so if 2 percent is allocated to the</p> <p>3 wireline guys -- I mean the operators --</p> <p>4 A. It's actually 5 percent on this, on this</p> <p>5 calculation. You have two operators at 2 percent, and</p> <p>6 you have one operator at 1 percent. You had an SSE on</p> <p>7 location. So the total number of bonus -- the total</p> <p>8 amount of bonus was 5 percent.</p> <p>9 Q. Well, all we've got to do is take \$1,521 --</p> <p>10 right -- and calculate what percentage that is of</p> <p>11 \$25,350. Correct?</p> <p>12 A. Yes.</p> <p>13 Q. So if \$1,521 is divided by \$25,350 --</p> <p>14 6 percent, that's what it says.</p> <p>15 A. All right.</p> <p>16 Q. All right. That's 6 percent. And then, the</p> <p>17 6 percent, how is that divvied up?</p> <p>18 A. By hours. The same way the engineers were</p> <p>19 divvied up, proportions.</p> <p>20 Q. Wait a second. Oh, I see. So the total</p> <p>21 amount of money that's going to be distributed is</p> <p>22 \$1,521. Right?</p> <p>23 A. Correct.</p> <p>24 Q. And your share of that \$1,521 is based upon</p> <p>25 the total time that you spent on the job?</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

62 (Pages 242 to 245)

242	<p>1 A. That you were on location. Correct.</p> <p>2 Q. That you're on location. Okay.</p> <p>3 Correct me if I'm wrong, sir, but how much</p> <p>4 you get in the bonuses is independent of how much your</p> <p>5 salary is?</p> <p>6 You could have one wireline operator making</p> <p>7 \$3,000 a month, another one making \$4,000 a month. The</p> <p>8 amount they have in their bonus has nothing to do with</p> <p>9 their salary. It's strictly a matter of how much time</p> <p>10 they spend at the site and proportionate amount of the</p> <p>11 hours they spent on the site compared to the total</p> <p>12 number of hours on the site for that group of people</p> <p>13 who are going to be getting the bonus?</p> <p>14 A. Yes. The bonus is to compensate you for the</p> <p>15 amount of time that you're on the site.</p> <p>16 Q. I know. But you'll agree with me, sir, that</p> <p>17 it has nothing to do with your -- let's say whether --</p> <p>18 your salary or your hourly rate. It has nothing to do</p> <p>19 with either one.</p> <p>20 A. I'm sorry. I don't -- Explain it again. Say</p> <p>21 it again.</p> <p>22 Q. Yeah. I could be a guy that comes in; I'm</p> <p>23 being paid \$3,000 a month. Right?</p> <p>24 A. Okay.</p> <p>25 Q. Okay? Another guy could be getting \$5,000 a</p>	244	<p>1 A. I'll take your word on it.</p> <p>2 Q. Fine. You could calculate that based on an</p> <p>3 hourly rate, the salary?</p> <p>4 A. Yeah, I guess you could --</p> <p>5 Q. Yeah.</p> <p>6 A. -- although the salary does have overtime</p> <p>7 built into it also. So to get that hourly rate that we</p> <p>8 were compensating for the salary, it's based on a</p> <p>9 60-hour week. It's based on 20 hours of overtime.</p> <p>10 Q. Let's do that. Okay?</p> <p>11 A. Okay.</p> <p>12 Q. Let's take 60 hours a week. You're going to</p> <p>13 come up with -- if you do 60 hours a week for 52</p> <p>14 weeks -- you have a certain number of weeks that you</p> <p>15 worked in a year; haven't you?</p> <p>16 A. Yes.</p> <p>17 Q. And a certain number of hours that you</p> <p>18 worked?</p> <p>19 A. Yes.</p> <p>20 Q. And that would calculate -- if you divided</p> <p>21 all those hours up and you divided it into the total</p> <p>22 amount that that person is being paid, you could derive</p> <p>23 an hourly rate; couldn't you?</p> <p>24 A. Yes.</p> <p>25 Q. And what I'm saying to you -- you'll agree</p>
243	<p>1 month because he's more senior than I am. Right?</p> <p>2 A. Okay.</p> <p>3 Q. I get a bigger chunk of the bonus, the amount</p> <p>4 set aside for the riggers, let's say, based strictly on</p> <p>5 how many hours I spent on that job.</p> <p>6 A. Yes.</p> <p>7 Q. Okay. It has nothing to do with what my</p> <p>8 normal rate of pay is. Even though I'm making much</p> <p>9 less per hour, if you calculate the salary according to</p> <p>10 an hourly basis -- even though my hourly rate is much</p> <p>11 lower, I'm still getting a bigger chunk of the bonus</p> <p>12 than the guy who has a higher salary, who spent fewer</p> <p>13 hours?</p> <p>14 A. At this time we weren't paying hours.</p> <p>15 Q. I understand. I do understand that. Okay?</p> <p>16 A. So it doesn't have anything to do with hourly</p> <p>17 rates.</p> <p>18 Q. You'll agree with me that if you took \$3,000</p> <p>19 a month, it translates basically to \$36,000 a year?</p> <p>20 Understood?</p> <p>21 A. Yes.</p> <p>22 Q. Okay. And if you calculated that on an</p> <p>23 hourly basis -- let's say you divide it by a normal</p> <p>24 year of 2,080. That's what they normally do. That's</p> <p>25 what Department of Labor does. Right?</p>	245	<p>1 that that hourly rate -- if you calculate the salary by</p> <p>2 an hourly rate, right, based on 60 hours a week, the</p> <p>3 amount the guy gets in bonus has nothing to do with</p> <p>4 what that hourly rate is?</p> <p>5 A. Correct.</p> <p>6 MR. CHIVERS: John, why don't we take a</p> <p>7 break. Okay?</p> <p>8 We're almost done.</p> <p>9 (Recess taken.)</p> <p>10 Q. I have three questions and, hopefully, no</p> <p>11 subquestions.</p> <p>12 The charges that you use, the RDX, MDX -- is</p> <p>13 that right?</p> <p>14 A. RDX, PETN -- I forget what the other one</p> <p>15 was -- RDX -- HMX.</p> <p>16 Q. You get those supplies from where? Where do</p> <p>17 you get those explosive supplies?</p> <p>18 A. From a warehouse here in Pennsylvania, from</p> <p>19 Owen Oil Tool Company and Titan Oil Tools, and there</p> <p>20 may be a couple other manufacturers that I get them</p> <p>21 from.</p> <p>22 Q. Do you know where those manufacturers are, by</p> <p>23 any chance?</p> <p>24 A. Where they're actually manufactured or where</p> <p>25 they're warehoused?</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

63 (Pages 246 to 249)

246	248
<p>1 Q. Manufactured.</p> <p>2 A. Fort Worth, in Texas.</p> <p>3 Q. Gotcha.</p> <p>4 And then, they're warehoused up here?</p> <p>5 A. Yes.</p> <p>6 Q. Where are the warehouses?</p> <p>7 A. And distributed.</p> <p>8 Q. Where are the warehouses, if you know?</p> <p>9 A. One is in Punxy.</p> <p>10 Q. Yeah. Punxsutawney?</p> <p>11 A. Yeah.</p> <p>12 And the other one is just north of it in --</p> <p>13 Q. Dubois?</p> <p>14 A. Yeah. Exactly.</p> <p>15 Q. Just north of Punxsutawney?</p> <p>16 A. There's another manufacturer that's south of</p> <p>17 here. They also have warehouses in West Virginia. And</p> <p>18 so there's times that we actually get them from other</p> <p>19 warehouses.</p> <p>20 Q. They store them in the warehouse, this</p> <p>21 company out of Fort Worth?</p> <p>22 A. Yes.</p> <p>23 Q. One company? Two companies? Three</p> <p>24 companies? How many?</p> <p>25 A. There's about -- up in this area, there's two</p>	<p>1 companies up here in Pennsylvania or by -- or do they</p> <p>2 ship them to somebody else?</p> <p>3 A. Combination. They're warehoused here by the</p> <p>4 companies. The companies have distribution centers</p> <p>5 here in Pennsylvania.</p> <p>6 Q. All right. So I assume that, depending on</p> <p>7 where you are, you get these charges. Do you get them</p> <p>8 delivered to your shops?</p> <p>9 A. Yes, sometimes. Sometimes.</p> <p>10 Q. What else?</p> <p>11 A. Sometimes hotshots. Sometimes we'll get them</p> <p>12 from the warehouse directly. Sometimes they'll send</p> <p>13 them in the mail. Sometimes we have them directly</p> <p>14 shipped from the manufacturer in Texas.</p> <p>15 Q. So at least, when they're being used at the</p> <p>16 well site -- I assume these charges aren't used</p> <p>17 anyplace other than the well site?</p> <p>18 A. Correct.</p> <p>19 Q. You're not blowing up your shop?</p> <p>20 A. No.</p> <p>21 Q. You're not blowing up the warehouse?</p> <p>22 A. No.</p> <p>23 Q. Okay. Everybody knows that, I assume?</p> <p>24 I mean, from the manufacturer to the</p> <p>25 distributors, everybody knows these things are intended</p>
247	249
<p>1 major companies, and there's probably a couple more</p> <p>2 minor --</p> <p>3 Q. Are you saying, now, the manufacturers are</p> <p>4 only in Fort Worth, Texas, or are they elsewhere as</p> <p>5 well?</p> <p>6 A. Probably -- the very highest percentage of</p> <p>7 all perforating charges produced in the world are</p> <p>8 produced out of various plants in Texas.</p> <p>9 Q. Various plants?</p> <p>10 A. Yes.</p> <p>11 Q. Various companies?</p> <p>12 A. Very few. You could put them on one hand</p> <p>13 probably.</p> <p>14 Q. Tell me what the companies are.</p> <p>15 A. Owen Oil & Tool.</p> <p>16 Q. How do you spell Owen?</p> <p>17 A. O-w-e-n.</p> <p>18 Titan Industries.</p> <p>19 Q. Yeah.</p> <p>20 A. Shaped Charge Specialties. That's just three</p> <p>21 that I remember.</p> <p>22 Q. Are they out of Texas?</p> <p>23 A. Yes.</p> <p>24 Q. And do you order them from Texas, or do you</p> <p>25 just order them from -- are they warehoused by those</p>	<p>1 for the shaped charges at the well sites?</p> <p>2 A. Yes.</p> <p>3 Q. Okay.</p> <p>4 A. These manufacturers make explosive devices</p> <p>5 for other industries also, so I mean --</p> <p>6 Q. Fair enough.</p> <p>7 But when you place an order from your company</p> <p>8 to one of these companies, you're only, obviously,</p> <p>9 purchasing the things you need in your business?</p> <p>10 A. Yes.</p> <p>11 Q. Okay.</p> <p>12 A. We have a usage statement with the companies</p> <p>13 on what we're going to do with the explosives.</p> <p>14 Q. That's what I was wondering. So, in other</p> <p>15 words, they know that you're going to be using these at</p> <p>16 the well sites?</p> <p>17 A. Yes.</p> <p>18 Q. Okay.</p> <p>19 A. It's probably part of our explosive license</p> <p>20 from the ATF also.</p> <p>21 Q. I wondered. Yeah. Yeah. I mean, I just --</p> <p>22 I accept what you say, because I don't know, but it</p> <p>23 sure makes sense.</p> <p>24 Have you had written job descriptions --</p> <p>25 let's go back five years. When you started this</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

64 (Pages 250 to 253)

250	252
<p>1 business, your business, did you say: Hey, I'm going 2 to write down these job titles, and I'm going to 3 describe in writing what these jobs are? 4 A. No. 5 Q. Okay. Have you ever come up with such 6 written job descriptions? 7 A. Yes. I think you've got copies of them. 8 Q. All right. My question is: When did you 9 write those? 10 A. Probably within the first couple years after 11 we were in business. 12 Q. Oh, yeah. And those written job 13 descriptions, is it fair to say -- you even said, at 14 the beginning of this thing, that people do whatever 15 they got to do to get the job done, words to that 16 effect? 17 A. Yes. 18 Q. All right. If an engineer on the site 19 decides that he needs a rigger to do something that 20 isn't in the job description, I'd assume, just so long 21 as it's safe, it's okay for that rigger to do it? 22 A. Yes. 23 (Discussion off the record.) 24 Q. Do you have to have a license to purchase 25 explosives?</p>	<p>1 separately. 2 MR. CHIVERS: That's a fair position. 3 MR. ANTKOWIAK: Yeah, because, I mean, to my 4 understanding, we have provided a bonus sheet. 5 We'll go back and confirm the scope of what we've 6 provided. If there are any additional sheets -- I 7 don't believe that we've consciously withheld 8 something that's been responsive, you know, 9 subject to our objections. But I think it's 10 easiest if you draft a letter, outlining the 11 items, and then we can respond to it. 12 MR. CHIVERS: With that, we're done. And I 13 thank you. 14 MR. ANTKOWIAK: Nothing else from me. 15 --- 16 (Deposition concluded at 3:59 p.m.) 17 --- 18 19 20 21 22 23 24 25</p>
251	253
<p>1 A. Yes. 2 Q. And is it on file with the suppliers? 3 A. Yes. 4 Q. You told me that the pretrip reports -- there 5 will be copies of those? 6 A. Should be, yes. 7 Q. You also testified we can get bonus sheets. 8 MR. CHIVERS: Actually, I think, Christian, 9 you were saying those bonus sheets should be in 10 that production? 11 MR. ANTKOWIAK: As far as I know, this 12 exhibit -- 14419 is a bonus sheet, so it's my 13 understanding, we have provided that. But, again, 14 we're going to go back and confirm we provided all 15 of everything, you know, that we have. 16 THE WITNESS: I don't know if we were 17 specifically asked for bonus sheets, so -- 18 MR. CHIVERS: Yeah, I don't know either. I 19 will say this -- 20 MR. ANTKOWIAK: Why don't we say this for the 21 record: Because there have been a number of 22 issues that have come up today, why don't you send 23 us a letter, at the conclusion of this, outlining 24 the items that you think are at issue or have been 25 requested, and then we'll take up each of them</p>	<p>1 CERTIFICATE 2 COMMONWEALTH OF PENNSYLVANIA) 3) 4 COUNTY OF ALLEGHENY) 5 6 I, Rebecca L. Schnur, do hereby certify that 7 before me, a Notary Public in and for the Commonwealth 8 aforesaid, personally appeared RANDY CASSADY, who then 9 was by me first duly cautioned and sworn to testify the 10 truth, the whole truth, and nothing but the truth in 11 the taking of his oral deposition in the cause 12 aforesaid; that the testimony then given by him as 13 above set forth was by me reduced to stenotype in the 14 presence of said witness, and afterwards transcribed by 15 means of computer-aided transcription. 16 17 I do further certify that this deposition was 18 taken at the time and place in the foregoing caption 19 specified, and was completed without adjournment. 20 21 I do further certify that I am not a relative, 22 counsel or attorney of either party or otherwise 23 interested in the event of this action. 24 25 IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal of office at Pittsburgh, Pennsylvania, on this _____ of _____, 2014. Rebecca L. Schnur, RDR, Notary Public In and for the Commonwealth of Pennsylvania My Commission expires June 16, 2017.</p>

NETWORK DEPOSITION SERVICES
Transcript of Randy Cassady

65 (Pages 254 to 255)

254

1 COMMONWEALTH OF PENNSYLVANIA)
 ERRATA SHEET)

2 COUNTY OF ALLEGHENY)

3 I hereby make the following changes in my
 deposition transcript.

4 PAGE LINE CHANGE FROM CHANGE TO

5 _____

6 _____

7 _____

8 _____

9 _____

10 _____

11 _____

12 _____

13 _____

CERTIFICATE OF READING

14 I, _____ hereby acknowledge that I
 have read the foregoing deposition transcript this
 15 _____ day of _____ 2014. I further certify that
 the answers are true and correct as described unless
 16 otherwise noted on the Errata Sheet.

17 Witness Name: _____

18 _____

19 Subscribed and sworn to before me this _____ day
 20 of _____ 2014.

21 _____

22 _____

23 _____

24 _____

25 _____

Notary Public

255

1 NETWORK DEPOSITION SERVICES
 SUITE 1101, GULF TOWER
 2 PITTSBURGH, PENNSYLVANIA 15219
 412-281-7908

3 ---

4 ---

5 ---

6 August 14, 2014

7 ---

8 Christian C. Antkowiak, Esquire

Buchanan Ingersoll & Rooney, P.C.

9 One Oxford Centre

301 Grant Street, 20th Floor

10 Pittsburgh, PA 15219

In re: Curtis Tvrdovsky vs. Renegade Wireline Services

12 Dear Mr. Antkowiak:

13 Enclosed please find the signature page and a copy of

the deposition transcript of Randy Cassady, taken

14 before me on July 31, 2014.

15 Please have the witness read the transcript, make any

corrections he may have on the errata sheet and sign

16 the original signature page. Please send the original

signed signature page and any corrections to Joseph

17 Chivers, Esquire.

18 If the witness does not sign the transcript within

30 days of receipt, signature will be deemed waived.

19 Sincerely,

20 _____

21 _____

22 Rebecca Schnur

23 CC: Joseph Chivers, Esquire

24 _____

25 _____